The Financial Post

The Canadian Newspaper for Businessmen and Investors

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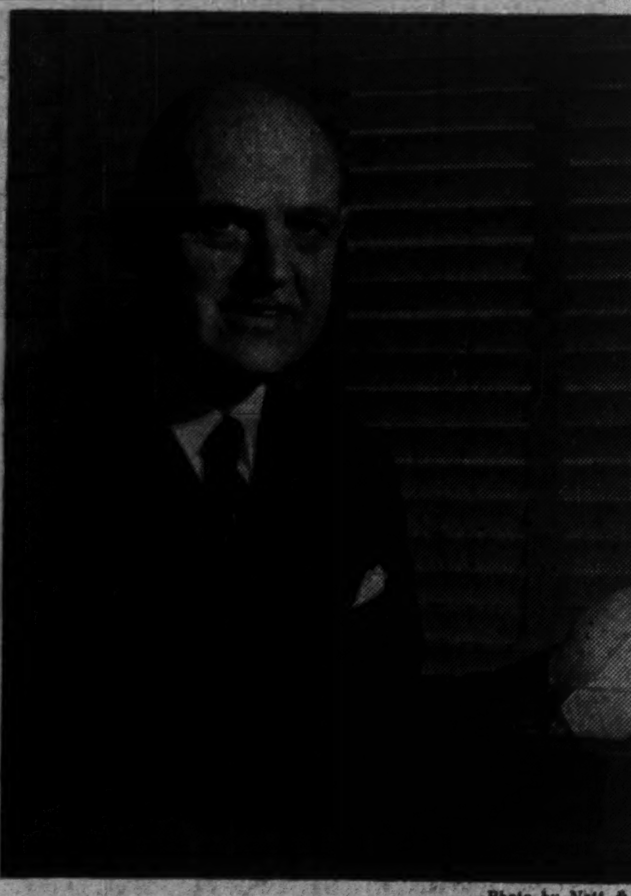
New President of TSE



—Photo by Nott & Merrill

A. Lowry A. Richardson takes over as president of the Toronto Stock Exchange, Canada's largest security market, second only to New York Stock Exchange in North America in volume of share business, handling 81% of trading on all stock exchanges in Canada and 61% of dollar values. Lowry Richardson joined Dickson, Jolliffe & Co. in 1925, was admitted to partnership in 1934. He is director and chairman of the management committee of Granite Club Ltd., Toronto, and president of Quinte Milk Products Ltd., Wellington, Ont.

THE NATION'S BUSINESS

What Will Record Be For Next 50 Years?

It's a big challenge that faces the Canadian people at the polls on Monday, because our country is at a major turning point in its national life.

At this half-way mark in the twentieth century Canada may indeed look with pride—and even wonder—at what the past 50 years have brought forth.

In 1900, Canada numbered five million people. We were a thin, ragged colony with one transcontinental railroad. Our affairs were still largely run from London. Only in oratory was the phrase "Dominion from sea to sea" justified.

Every statistic records a growth that is truly fabulous. Every fact demonstrates that we have become an independent country and one of the most influential voices in the councils of the nations.

Our record of development in the past 10 years alone is equally impressive, and less widely comprehended.

Our population has increased 16%. We have 40% more people employed. Our total production of goods and services is 75% greater in physical volume. The average Canadian's standard of living has increased about 50%. War worked an industrial revolution in Canada. It not only vastly increased our industrial plants, and our industrial skills. It raised our sights, widened the scope of our hopes and ambitions for Canadian industry.

And what of the next 50 years? How will the record of our national effort and national wisdom look in the summer of 1999?

Maintaining our present high level of national activity, keeping up on the plateau to which we have now attained, will be one major task.

Favorable to the achievement of that goal is the natural energy of our people, our new and still growing industrial stature. Alberta oil, uranium deposits and Labrador iron are developments of incalculable economic significance for our country's future. In a world increasing its consumption of metals and forest products, our resources are of growing importance.

But the problems of the immediate years ahead are grave in the extreme, and the most ominous of these is the recovery of our great customer Britain and the restoration of an international trading system which gives buyers what they want and gives in payment to sellers the kind of exchange they want.

This is a problem which no one country can solve alone. It is one which calls for the highest statesmanship that nations can command. The outcome will have the most profound effect on the history of the next half century. Failure to solve this trade problem can send our national standard of living plummetting; perhaps even destroy Canada as an independent nation.

In choosing the men who shall lead this country as we start upon the next half century, Canadians have an unusually solemn responsibility.

• • •

Mr. Coldwell Knows Better Than This

The Socialists have again demonstrated ignorance and irresponsibility, two excellent reasons why they do not merit the support of the Canadian people.

In a speech at Edmonton, CCF leader Coldwell tried to imply that there was something wrong with a recent deal in Vancouver bonds. He went on to talk darkly about "economic dictatorship," "monopoly," called for a government enquiry into the Vancouver deal and repeated his demand that banking be nationalized.

What Mr. Coldwell so conveniently overlooks is that nobody, not even a Socialist, will pay more for anything than he thinks it is worth. People must buy food and housing, but they don't have to buy bonds. They must be induced to buy bonds by an attractive price.

Not only are bond buyers currently very choosey. But this and several preceding Vancouver issues were hard to sell.

That's the reason why the syndicate included such a large number of dealers. Smaller groups were afraid to tackle the marketing job.

The April Vancouver issue was "sticky" for several reasons. In the last three years, the city has issued and dealers have sold over $19 millions in new bonds. Under the city's 10-year plan for more expenditures, another $32 millions of bonds are to be marketed in the next 6½ years.

Furthermore, the issue about which Mr. Coldwell complains came only five months after the previous issue and was far more than two and a half times the amount.

Under such circumstances, it should be obvious even to those who never heard of a bond, that the price would be lower than that paid for earlier issues or for some other municipal issues.

Had the Vancouver bonds been too cheap, the fact would have been demonstrated in a few hours. The expert investors of the insurance companies would have gobbled up any such bargain.

There are 10 chartered banks and 170 investment dealers in Canada. Competition for new issues is remarkably keen as anyone who has ever seen bondmen hunting for deals and haggling over tiny fractions well knows.

Anybody, including Mr. Coldwell, had only to step up with some $7,936,000 in cash, offer Vancouver a better price, and he'd have knocked the syndicate of six banks and 15 dealers right out of the picture. But nobody did and without the syndicate Vancouver wouldn't have got the money it wanted.

Goodness knows there's enough popular confusion about the workings of our system now without people who should know better increasing it. But the Socialists specialize in distortion and misinformation.

$157 Million Program On Provincial Roads

Four Provinces Plan Record Expenditures as 1949 Total More Than Double 1934-38 Average—Here are Highlights in Programs

Expenditure of more than $157 millions on roads and highways this year will bring no dramatic improvements in Canada's highway system, no national projects, no official Trans-Canada Highway, just a gradual improvement in both trunk routes and country roads. That's what The Financial Post found in a coast-to-coast survey this week.

Four provinces — Ontario, Manitoba, Saskatchewan and British Columbia—report expenditures at a new high. Some new and improved highways are included, but for the most part it's a program of maintenance and gradual raising of road standards.

Most provinces are taking no particular action in anticipation of agreed plans for the Trans-Canada Highway, though improvements being made both in Manitoba and Saskatchewan could tie up with it whenever it is undertaken.

The sum of $157 millions includes estimated expenditures in the 1949-50 financial year by all 10 provinces: it includes Newfoundland and expenditures by the Dominion Government in the Yukon and Northwest Territories. It is more than double the prewar average, which over the 5-year period, 1934-38 for nine provinces, was $76 millions.

Here are the 1949 plans, province by province:

NEWFOUNDLAND:

This year's road program compares with earlier years.

It calls for spending $700,000 on new construction and $500,000 on improvement. About 40 miles of new road are planned and about five miles of new pavement.

PRINCE EDWARD ISLAND:

Program is about the same as other busy years. $900,000 will be spent on roads and bridges. 100 miles distributed in short sections throughout the island will be reconstructed.

NOVA SCOTIA:

The year's program calls for $12 millions for capital charges and $6.7 millions for maintenance. There are to be 330 miles of new roads and 40 miles of new pavement.

NEW BRUNSWICK:

Program is much lighter than the last two years. Total cost will be about $7 millions. It includes laying 60 miles of 3-inch asphalt and concrete base with sand seal; preparing 30 miles of main trunk road for paving; priming and double-sealing about 100 miles of important secondary roads; and reconstructing 300 miles using gravel surface. No

(Continued on page 3, col. 1)

Big TV Expansion Planned By Philips In Canada

QUEBEC (Staff) — Important expansion of the world-famous Philips electrical operations in Canada, was forecast here this week to The Financial Post by Dr. Herman F. van Walsem, a chief executive of the parent company in Eindhoven, Holland.

Dr. van Walsem is in Canada attending the 12th congress of the International Chamber of Commerce. He is a member of the presidium of the directing corporation of the famous Philips organization. The company is run by four "presidents" each with equal authority under a board chairman. Dr. van Walsem is one.

In an interview with The Post, Dr. van Walsem forecast considerable expansion of the Philips interests in Canada in these directions:

1. Manufacture and sale of the new Philips television set with patented mirror-projection system permitting an image up to two by four feet to be thrown on a wall screen. Manufacturer of these will begin at the Leaside plant of Rogers-Majestic towards the end of this year from parts made in Holland. As soon as the Canadian market justifies, the sets will be manufactured entirely in Canada. The set may also be marketed by Stromberg-Carlson and other companies licensed by Philips to use the special mirror-projection system. A table model in competitive current price range will also be manufactured.

Radar and Electronics

2. Substantial expansion in production of all types of electronics and radar products for the armed services at the Rogers-Majestic plant once the proposed services program is confirmed. Dr. van Walsem indicated that this would probably be the largest single source of employment and expansion in Canada for some time to come.

3. Marketing through Philips Industries, Ltd., of Montreal of a number of important new lines including:

(a) A small and revolutionary new portable X-ray unit for dentists.

(b) An entirely new type of electric dry shaver, claimed to be quieter, more powerful and quite different in principle to those presently on the market.

(c) X-ray equipment of all types for hospital and professional use.

(d) Movie projectors using a new type of very small and powerful light bulb.

This latter group of products will, at first, be imported from

(Continued on page 3, col. 4)

Your 1949 Survey Of Industrials Is Available Now

The 1949 edition of The Financial Post Survey of Industrials, just off the press, reflects a year of high activity of earnings for Canadian corporations. Companies reported on — some 1,500 — include a wide variety of industries: manufacturing, public utilities, steamships, merchandising, banks, investment companies, railways and trust and loan companies.

Here's an invaluable reference book for investors, and for all whose job it is to follow the course of business.

Company reviews include earning statements and balance sheets, working capital position, dividend history, funded debt, head office addresses, subsidiaries, directors, tabulation of high and low share prices for each of the last eight years.

Obtainable at $2 a copy from The Financial Post, 481 University Ave., Toronto 2.

PRICES

Woodpulp prices are softening activity in the U. S. paper industry. Production there is being cut back as paper inventories have been built up. Reduction in Canadian sales is chiefly in the export market where drop of 5%-10% from last year has been seen. Prices, which have declined steadily since fourth quarter of 1948 are due for further reductions. Following announcement in U. S. by Weyerhaeuser Timber Co. that bleached sulphite will be reduced from $126 to $118 ton and bleached sulphate from $136 to $125, Abitibi will make corresponding adjustments effective July 1 on bleached and unbleached sulphite. Other companies are expected to follow suit to compete for the U. S. market.

Newsprint contract price remains firm but marked softening is being seen in spot market prices in New York and tendency of publishers to hold inventories down is increasing.

Diesel and heating oil was cut again in the Prairie Provinces by Imperial Oil, reflecting increased supplies. This is fourth reduction since new Edmonton refinery went into production in July, 1948. Reduction is 2c gal. in eastern Manitoba, 1c gal. in Saskatchewan, Alberta and western Manitoba. Tank wagon price at Winnipeg is now 19.2c gal.

Metal prices slid further this week with exception of lead.

Lead sales showed improvement for second consecutive week and indications are that consumers have reached point where inventories must be replenished. Price was steady at 12c lb.

Zinc price was off ½c to 9c (U. S.), following unofficial reports that zinc purchases for stockpile would be small in coming year. Price is now ¼c below OPA price.

Copper received two cuts totaling 1c by custom smelters, bringing price to 16c. Buyer interest failed to pick up at new price and further cutbacks in production have been reported.

Quicksilver was off $1 to $80-$82 flask while demand continued dull.

Salmon prices may be somewhat lower than last year with fishermen accepting lower prices and pack much larger. However U. K. which took none last year is taking 410,000 cases (sockeye, cohoe and pinks) this year, which may help keep market firm.

Jam and marmalade prices show signs of firming up. The small strawberry crop in Eastern Canada will prevent the housewife from doing down her own jam this year which will mean heavier demand for commercially processed jams.

Canada-UK Group Of Businessmen To Study Trade

QUEBEC CITY (Staff) — A new continuing committee of Canada-U.K. businessmen was formed here last week to deal with mutual trade problems affecting the two countries. The committee expects to meet in future twice a year, once in Canada and once in the United Kingdom.

Chairman of the meeting which led to the formation of the committee was C. Gordon Cockshutt, president and chairman of the Cockshutt Plow Co. Other Canadians who attended included Henry Birks, Henry W. Morgan and W. T. G. Hackett of Montreal; A. T. O'Leary of Halifax; Clare Penny of Vancouver; A. G. Partridge and H. M. Turner of Toronto.

Aim of the new committee is to study Canada-U.K. trade problems at the business level and assist government in finding solutions. It will also endeavor to remove misunderstandings which arise from time to time on either side among businessmen.

Big Asbestos Find May Mean Quitting Que.

A vast asbestos deposit believed to be one of the largest ever found, has been discovered in Northern Ontario and will be developed as rapidly as possible by Canadian Johns-Manville Co.

This, The Financial Post understands, would be the gist of an "important" announcement scheduled to be made by Lewis Brown, chairman of the board of the parent Johns-Manville Co. in Montreal Wednesday afternoon.

The new find is believed to be near Mathewson in Northern Ontario. Drilling indicates some 1.5 million tons in a relatively small area. Exact location was a highly guarded secret when The Post went to press.

It is also understood Mr. Brown would announce that from now on his company would concentrate on expanding its operations in Ontario, gradually slowing down Quebec activity. It was even thought possible that Brown might even announce that eventually the machinery and equipment at strike-bound Asbestos in Quebec would be dismantled and shipped to Ontario.

The implication of his announcement was expected to have a "bombshell" effect according to one source. Mr. Brown was expected to make a very blunt and forthright statement on industrial operations in Quebec today. It was believed certain he would attribute the decision to switch investment interests from Quebec to Ontario to:

(a) the strike now in its fifth month;

(b) the generally unsettled labor situation and the outlook.

May Discourage Que. Investment

Mr. Brown's statement is likely to carry a lot of weight in United States industrial and investment circles. His firm already has a huge investment at Asbestos, Que., and also at Port Union, near Toronto. In addition, he has various other Canadian interests. In the U. S. he is looked upon as one of the country's foremost industrialists and authorities on Canadian investment.

If he is going to refer to the depressing effect of the current Quebec attitude, it is quite possible that it will discourage other U.S. investment in Quebec. This would come at a time when Premier Duplessis says he is trying to encourage it.

Ever since the asbestos strike began last February, Johns-Manville has been hinting at developments elsewhere. But not until this week was there any announcement.

During the five months the strike has been on, the firm has completed a thorough study of the cost picture. The decision, it is understood, it that there is no great advantage in having processing and finishing facilities adjacent to a mine itself as at Asbestos. Even if the Ontario deposit had not been found the firm was seriously considering transferring the mill and factory elsewhere.

Now that the Ontario deposit has been found, transfer is considered almost inevitable, a company official declared.

Business Outlook Strong at Midyear

Post Survey Finds Over-all Industrial Production Still at High Levels — Steel Demand Good — Few soft spots in The Economy

How was business during the first half, what's the outlook for the second half?

The Financial Post this week made an industry-by-industry survey, found conditions still buoyant and over-all considered likely to remain so for the balance of the year at least.

Employment and over-all industrial production figures were still at high levels. Steel was in a particularly strong position. Weakening of base metal prices in U. S. was having little if any effect on Canadian production schedules. Consumers still had plenty of money to pour into retail cash registers.

Only soft spots showing were in textiles, wood pulp and fine papers. Here's a point-by-point digest of The Post's survey—more detailed industry-by-industry reports will be found on page 9.

LABOR: Total income 11% over last year for first quarter. Employment index in nine key industries a shade below 1% higher.

MERCHANDISING: Retail sales still climbing; over-all physical volume of sales expected to be higher than last year's.

CONSTRUCTION: Second quarter over-all total likely down about 20% from last year; housing demand still strong; key materials in better supply.

STEEL: Producers booked solid through 1949, could sell even more if they could produce. Production up 66,000 tons in first four months.

GOLD: Output back up to 1942 level, nearing record 1941 production. But exploration for new mines at low ebb.

BASE METALS: Production volume likely to remain high despite price slashing in U. S. Profits off sharply but rebound in U. S. prices thought likely toward year's end.

OIL PRODUCTION: Western Canada still opening up but output likely to hold at present levels in view of saturation of western market.

OIL REFINING: Gasoline sales up about 20% in first five months; fuel oil sales on par with last year, expanded sales anticipated.

CARLOADINGS: Up to June 4 carloadings down 3.3% from 1948 but up 0.5% over 1947. Improvement over 1948 levels in grain, fresh vegetables, building products, gasoline and oils, autos, lumber.

AUTOS: Last week's production greatest in history. January-April sales figures of all vehicles 17% over last year. May and June likely to show greater gains.

STOCK MARKETS: Majority of investors still holding sidelines awaiting upturn they feel cannot materialize till postwar business adjustment levels off.

AGRICULTURE: Drought in Ontario, light rains in some parts of Saskatchewan and Alberta, some parts of Quebec, mostly rule out full yields in those areas. N. B., N. S. tree fruit prospects good except for pears.

TEXTILES: Canadian cotton and rayon producers faced with keener competition in lower-priced goods. Production likely slowing down. Demand for woolen and worsteds slowing.

PULP & PAPER: Newsprint sales higher every month in 1949 than for same 1948 months, over-all shipments up 6.4% over last year. Wood pulp, fine paper sales down.

TOURISM: Another record year in prospect. Travelers' vehicle permits for first five months 12.8% over 1948 period; 26.7% more enquiries to Canadian Government Travel Bureau.

INSURANCE: Life insurance sales 2.3% over last year for first five months, expected to remain at good level.

Inside News

Are Your Stocks Here?

Are your stocks among new ones eligible for insurance investment? A requirement is an unbroken dividend record for the last five years. At least 15 new preferred stocks, five class "A" stocks and seven common stocks entered this class in 1948. (p. 10)

Must Retirement Kill You?

Are you one of the thousands of Canadians facing compulsory retirement in the next 10-15 years? What have you planned for your life after 65? What will you do with your idle hours? Important questions—and a warning—for you and yours. (p. 15)

New Challenge to Canada

Leaders of Canadian business and finance spent last week rubbing shoulders with their contemporaries from all over the world at the 12th congress of the International Chamber of Commerce. What role can Canada play in this world business forum? What new opportunities are presented to Canadians to assist in shaping the affairs of the world? (p. 15)

Investment Men Meet

The Investment Dealers Association of Canada met for its 33rd annual meeting at Minaki, Ont. this week. Reports by district chairmen, retiring president, pictures. (p. 12, 13)

Opportune to Buy?

Buying on a scale down or up, at this point can be done by any investor with reserve buying power, says MacNab's manager. As almost 40% of the account is invested in fixed income securities this may be done with this account, he reports. Managed Investment (p. 5)

Mining as a Career

The mining industry offers a rapidly expanding field of opportunity for Canadian youth in the new developments of our natural resources. How can he break in? What are qualifications, prospects? Careers for Canadians. (p. 16)

Page
Advertising Business 2
Adelphi 28
Banking News 19
Industrial Growth 20
Insurance News 22
Labor Roundup 11
Mine Development 26, 27
Provincial Roundup 18
The Question 8
What's New 14
You Asked Us 17

Court Rules Against CPR In Truck-Railway Test Case

A test case between the trucking industry and the railways was decided at St. Jerome, Que., last week when Judge Herman Barrette ruled that the Canadian Pacific Express Co. is not entitled by its federal status to operate a trucking business without a provincial license.

Quebec was the only province in which the trucking industry could take legal action on the grounds that the railway carrier did not have a provincial license. The case was a long time coming to judgment, and although the CPR was "liberated" on a technicality, the judgment has been greeted with elation in the trucking business.

The truckers' case was that since 1944 the CPR had been running a trucking business between Montreal and St. Jerome, without a provincial license, in competition with eight firms which had licenses. They took legal action through the Automotive Transportation Association of Quebec.

C.P. Express pleaded that its Dominion charter entitled it to engage in all forms of transportation without provincial authority. The court ruled against them, but because the charge lacked certain crucial words, he did not find C.P. Express guilty. He "liberated" them on the formal charge, but made it clear that they were not acquitted. If the case were to be decided solely on the evidence, said Judge Barrette, he would have to find the company guilty.

It is believed that the effect of the judgment is to stop C.P. Express trucking operations in Quebec, and also to prevent them from lodging an appeal since they have not been found technically guilty.

This was the first time the trucking industry had challenged the railways' right to take part in the trucking business. It is understood that in other provinces where the railways are running regular truck lines they have in each case applied for and been awarded the necessary provincial license.

Pace of Business

Retail trade in April was valued at $669 millions, up 17% from $573 millions last year. Increase partly due to fact Easter fell in April this year and March last year. Four months total was up 8% at $2,212 millions. January-April gains over same period of 1948 greatest in women's clothing (up 14%), meat (12.6%), lumber and building materials (12.2%), garage and filling stations (11.9%), jewelry (10.9%).

Department store sales continue to show increases over year ago —up 9% in week ended June 11. All provinces gained with B. C. up most (18%).

Wholesale sales index (1935-39=100) was 290.3 in April, up 2.4% from 283.4 in March and 1.7% above 285.4 last year. Greatest increases over year ago in footwear (up 21.3%), fruits and vegetables (17.9%), clothing (10.4%), drugs (9.4%), automotive (7.8%) and tobacco and confectionery (7.8%).

Inventories held by manufacturers, index (1947=100) at 130.6 in April, showed further slight reductions from 132.5 in March and peak of 133.5 in February.

Dividend payment index (1935-39=100) as reported by Nesbitt Thomson at 213.1 for June was 1.1% below May but 7.7% above last year.

Bond sales (A. E. Ames) in May totaled $229.5 millions, showed increase of 31% over $175.2 millions in May, 1948.

Carloadings in week ended June 11 totaled 72,736 cars compared with 73,970 in previous week; 75,229 year ago.

Coal production in May: 1,326,700 tons, down 2.6% from 1,362,393 in May, 1948. Five months total was up 8.2% at 7,765,300 tons.

Wheat exports in May totaled 22.5 million bushels, increase of 37.2% from 16.4 millions in April and 84.4% above 12.2 millions in May, 1948.

Labor's Part in B.C. Election

What Will It Mean In Federal Vote Next Week?

Unlike the rejoicing after the Ontario Provincial election, the CIO-CCL political action machine is doing no boasting about what it did for the CCF last week in British Columbia. They had confidently expected to do for the CCF in B.C. what they did for it in the Ontario election.

In the Political Action Committee, Canada got something new in electioneering: (1) A tight formal alliance between the large group of labor unions in the Canadian Congress of Labor with the CCF; (2) Organized raising of political funds through the unions; (3) The help of professional labor union organizers in running CCF campaigns.

In Ontario, it seemed to work. In B.C. it obviously didn't. What can it do federally on Monday?

Through PAC, CCL Socialists wielded tremendous influence in Ontario's urban ridings, helping to raise CCF strength in the House from eight seats to 22, and making the Socialists the official opposition.

Believing that this was just the beginning they entered the B.C. provincial campaign convinced they could do better; that the extra punch their organization could deliver might tip the scales in favor of the Socialists.

If not, they admitted that it probably couldn't be done anywhere, because outside Ontario and B.C., the CCL's political influence isn't great. The CCL realizes this more than anyone and accordingly hasn't been wasting its efforts but rather, concentrating everything it has, first in B.C. provincially and now in B.C. and Ontario federally.

Popular Vote Down

In the first round in B.C., the CCF, and this time with the CCL on its side, went down under an avalanche of anti-Socialist votes. At dissolution the Coalition had 36 seats, the CCF 11 and one Labor. Today the government has 40 seats, the CCF six, Labor one and Independent one.

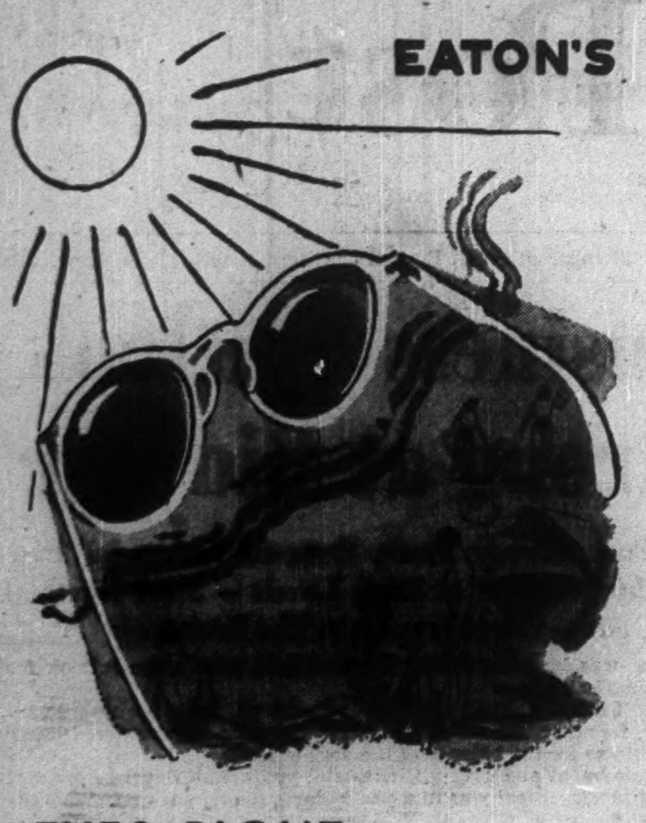
But even more significant is the drop in the CCF popular vote, from 38% in 1945 to 35% this time. On the other hand CCF leaders are claiming a victory on the strength of an increase of 50,000 votes. What's more they feel that even 35% is more than enough to give them a good many Federal seats with the Liberals and P.C.'s running against each other and splitting the anti-Socialist vote instead of together as during the Provincial election.

CCL technique in B.C. was exactly the same as in Ontario. Rank and file members were asked to hand over $1 each to build the PAC fund. The Dominion-wide goal is $350,000. No one expected to reach it, but they were confident of raising at least $100,000. In Ontario alone last year, they raised $50,000 without difficulty.

By the time the B.C. election was held, many unions, notably in Toronto, Hamilton, Windsor and Vancouver, had oversubscribed their objectives. In most cases, the big powerful vigorously pro-CCF Steelworkers' union was the spearhead.

It and other unions had already detached their most experienced organizers Some were run-

(Continued on page 3, col. 6)



EYES RIGHT

For Summer Comfort . . .

For a more comfortable and pleasant summer, keep your eyes right! . . . free from harmful rays of the sun . . . free from eyestrain and color distortion! There's nothing more qualified at the price than "Tone Ray," "Ray Ban" or "Calobar" sunglasses with Six Base Curve optically ground and polished lenses . . . now at EATON'S in many popular shades and styles to add to your summer pleasure and appearance.

THE OPTICAL DEPARTMENT
EATON'S

Unified Screw Specifications Ready in July

The new Unified Screw Thread Specification, running to some 100 pages, and marking a new stepping-stone in international industrial standardization, will be available to industry next month.

All mechanical industries are concerned in the details of the Specification, which provides necessary information toward unification of screw thread between the United Kingdom, United States and Canada. Production economists calculate that between now and the beginning of the 21st Century, over-all savings to industry in the three areas adopting the unified specification will amount to billions of dollars.

Up to now, four general classes of screw threads have been in general use ranging from that used generally by such heavy industry as shipbuilding to that used by the aircraft industry. Although the tolerances and requirements of the heavy industry screw will also be listed in the new booklet, it is not expected that Canadian industry will carry this type in stock. In addition to the Screw Thread Specification booklet, the committee of the Canadian Standards Association is also preparing a Screw Thread Manual for shop practice and draughting room use. The Screw Thread Specification booklet will cost $3.

Liquor Commissioners Hear Industry Briefs

The alcohol education program which British Columbia instituted in its public schools system two years ago may soon be a pattern for similar projects in at least two other provinces.

This possibility is reported as an outcome of last week's meeting of provincial liquor commissioners at Banff. There was, however, no official announcement, and the meeting (attended by all except Prince Edward Island and Northwest territories) was held behind closed doors.

A wide range of problems arising out of the administration of liquor control legislation and distribution was reported to have been discussed. Delegations representing the Canadian Association of Distillers, Dominion Brewers Association, and the Canadian Wine Institute presented briefs. Processing, bottling, and packaging policies were reviewed, and the current sales positions of the industries in relation to Dominion taxation were discussed.

W. F. Kennedy, chairman of the Liquor Control Board of British Columbia was re-elected president of the group: the Canadian Association of Provincial Liquor Commissioners. W. R. Clubb, chairman of the Manitoba commission, and A. S. Mahon, chairman of the Nova Scotia commission, were elected vice-presidents. N. A. Verner, Manitoba liquor commissioner, was again named secretary.

The new province of Newfoundland was represented for the first time by D. J. French. Reorganization of the province's liquor board is now under way, and future operations will be identical to that of the other provinces.

How Sound Are Your Investments?

The Financial Post Corporation Service will give you the essential facts you must have to judge the merits of your investments.

The Service gives you, in convenient card form, all the facts you need for a thorough investigation — present position, past record of earnings for many years, dividend record, etc. In addition, a News Service supplies you, daily if necessary, with the latest information so that you are kept right up to date on the position of a company.

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What's Construction Score On 2nd Quarter Decline?

There's new puzzlement and some rueful headshaking in construction industry ranks at an unexpected across-the-board second quarter decline from the 1948 period in volume of new building booked by contractors. But, thanks to a strong first quarter, and evidence of continued urgent demand in housing, schools, hospitals, the year still looks good against 1948. Here's the latest picture on construction contracts in Canada.

CONSTRUCTION CONTRACTS AWARDED, CANADA
(Source: MacLean Building Reports Ltd.)

—"critical" months April-May—

	'41	'46	'47	'48	'49	% change 1949 from 1948	% change 1949 from 1941
	$ millions						
All categories	64.4	158.1	117.1	220.7	182.7	—17.2	+183
Housing	22.4	59.1	37.6	85.0	84.5	— 0.6	+277
Comm'l. & Inst'l.	17.2	46.4	47.4	61.2	53.4	—12.7	+210
Factories	17.6	37.2	14.1	20.1	6.7	—66.6	— 62
Engineering	7.1	15.4	17.9	54.4	38.1	—29.9	+436

—1st. 5 mos.—

	'41	'46	'47	'48	'49	% change 1949 from 1948	% change 1949 from 1941
All categories	129.7	276.2	253.3	349.2	386.3	+11.0	+198
Housing	34.2	88.9	56.6	135.5	153.9	+13.5	+350
Comm'l & Inst'l.	31.1	78.9	98.0	107.9	106.5	— 1.3	+242
Factories	42.8	72.2	38.9	31.2	59.3	+90.0	+ 38
Engineering	21.3	36.1	59.8	74.6	66.6	—10.8	+ 47

Doctors OK Health Plan But Not Through State

MONTREAL (Staff)—Medical care for every Canadian but no state medicine was the considered opinion of doctors at the 80th annual convention of the Canadian Medical Association. CMA resolutions followed a middle course between an "all-state" and "no-state" policy.

CMA re-affirmed the policy of support for the principle of health insurance to provide medical care. But it stressed that every effort should be made to foster voluntary prepaid medical care.

It was pointed out that practical application of the voluntary schemes had been demonstrated in British Columbia, Alberta and Ontario with Nova Scotia about to enter the field. The CMA council proposed an extension of the voluntary plans to cover Canada. Coupled with this would be a plan whereby the government would provide the health insurance premium for those unable to pay for it.

Additional medical services should come into existence by stages, CMA said. First and most urgent being devoted to meeting the cost of hospitalization. CMA is in favor of a tax-supported compulsory plan of hospital care insurance; says it would do much to relieve economic burden of serious illness.

CMA delegates also approved television broadcasts of surgical operations. They believe it will be a new and effective medium for the promotion of medical education in its broadest sense.

Canada May Get 4-Ship Order From France

A French Government order for four cargo vessels to be built in Canada is being negotiated and may soon be finalized, The Financial Post understands.

Few details are known, but it is understood that the Canadian Government is working to get the contract for Canada. When placed it is expected it will be for four 7,200-ton vessels similar to those built here previously.

Chief difficulty in getting the order has been the currency problem. It is assumed that the Government has taken a hand in this phase of the negotiations. Whether or not this means export credits or a specific arrangement to meet this particular case is not known.

CANADIAN MALARTIC GOLD MINES treated an average of 1,247 tons a day in the three months ended March 31, 1949, reflecting the placing in operation of a new grinding unit. There was an increase of 21,918 tons of ore treated as compared with the previous quarter. Profit before write-off was $50,909 in the three months ended March 31, 1949, as compared with $21,985 in the March, 1948, quarter. Capital expenditures in the March, 1949, quarter, were $19,449 as against $40,423 in the same 1948 quarter.

CARDINAL PETROLEUMS has received $37,000 from A. M. Abernethy in payment for 200,000 shares covering the firm underwriting and first five option installments of 50,000 shares each.

See 50 Houses For St. John's

From Our Own Correspondent

ST. JOHN'S — Subject to (a) ratification by St. John's municipal council and Ottawa's Central Mortgage & Housing Corp., and (b) passage of provincial enabling legislation, 50 houses will go up here this year as part of Canada's subsidized low-rent housebuilding program for veterans.

Draft agreement, similar to other federal-municipal deals in the same program, features these provisions:

1. Municipality provides serviced lots;
2. CMHC builds houses through private general contractors, then administers properties for rent collection, management and maintenance;
3. Tenants are veterans of World War II;
4. Rents based on CMHC investment amortized over 50 years, plus operating costs and annual payments to municipality in lieu of taxes (this works out to rental of about 60c a month per $100 of capital costs, excluding land, sewers, water, roads etc.);
5. When sold, purchase price is applied on CMHC's investment reduced by amount equal to agreed value of land, less 2% a year, then balance divided equally between municipality and CMHC.

In the suggested St. John's agreement, rents are $40 a month for a 2-bedroom house, $42.50 for three, $45 for four bedrooms. These figures are based on estimated costs of $6,670, $7,010 and $7,500 respectively, and "tax" payments calculated at $70, $75 and $80.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Efforts to reach uniformity in provincial regulations on advertising alcoholic beverages can be written off as a "dead issue" now.

Last week when the Canadian Association of Provincial Liquor Commissioners met at Banff the matter wasn't even discussed. They had made the attempt at meetings in Winnipeg and Victoria last year, but couldn't agree. Regulation of liquor advertising was left with provincial governments, where it still remains.

* * *

Cockfield, Brown & Co. (Toronto) handled production of 25,000 booklets to solve problem in export advertising for The Coleman Lamp & Stove Co. Though primarily intended for overseas importers and dealers, booklet had also to appeal to retail customers of many nationalities. Result is liberal use of photographs (cold raindrops hit heated glass without cracking it; children stare at overturned lamp which burns safely on side). Printings were in English, French, Spanish, Portuguese, and Persian. Company is considering extending list.

* * *

Vickers & Benson Ltd. (Toronto) says theme of institutional series for Geo. Weston Ltd. will be importance of Canadian women in business, social, political and economic life. Series calls for comprehensive schedule of color ads in national magazine and week-end newspapers; black and white in daily newspapers, farm papers, and foreign language papers.

* * *

James Lovick & Co. (Montreal), now advertising new "Virginia Rounds" cigarette, says product is now being introduced to Quebec market. Preceded by series of teaser ads in Montreal newspapers, introductory campaign for Benson & Hedges (Canada) Ltd. includes large ads in leading dailies, frequent transcribed radio spots, streetcar exterior cards, billboards, and window displays. These are scheduled to run for rest of year.

* * *

McConnell, Eastman & Co. (Montreal) appointed to direct advertising and merchandising plans in Canada for Morphy-Richards Ltd., English manufacturers of automatic toasters, irons, and other electrical appliances. Consumer advertising for fall will consist of color ads in leading national publications plus an editorial-type newspaper column.

The James Fisher Co. (Toronto) appoints James Matthews to its creative division and planning board. He formerly operated his own business in Toronto as an advertising, publicity and public relations consultant.

* * *

O'Brien Advertising Ltd. (Vancouver) produced 15-page booklet, "Canada's Business System and You," for Better Business Bureau of Vancouver. With 150,000 copies printed were details of contest offering $2,000 in prizes for 500-word condensations of material in booklet. Vancouver newspapers announced results and Bureau printed top-ranking essay as advertisement.

* * *

McKim Advertising Ltd. transfers Claude C. Wimperly to its Vancouver office. He has been with the agency since 1924 in Montreal, Hamilton and Toronto.

* * *

John Labatt Ltd. (London, Ont.) appoints J. D. Varnell as director of public relations and marketing. In this new position he will head a department including public relations, advertising, Ontario and export sales and market research.

* * *

Cockfield, Brown & Co. (Montreal) has under way series of 5 col. x 200-line ads for Canadian Car & Foundry Co., keynoted by running head: "Canada needs healthy railways to serve her people." Ads cover employment, oil industry, newsprint, passenger service, agriculture and general preparedness.

* * *

McConnell, Eastman & Co. (Montreal) draws up advertising plans for Thermoid Ltd.'s entry into Canadian friction material market. In U. S. Thermoid is large manufacturer of friction material and other automotive products. Newspaper campaign has been drawn up and initial announcement ads are scheduled in trade publications during July.

* * *

Vickers & Benson Ltd. (Montreal) reports magazine (½ and 2/3 pages in two colors) and newspaper (600 lines in Ontario and Quebec) space, streetcar and bus cards, and radio broadcasts are included in National Breweries' plans this year for Dawes Black Horse Ale. Quiz, "Do You Know," offers readers $25 for oddities suitable for use. Radio program, "Connaissez-vous la Musique," broadcast over the French network during past two years, resumes in fall.

* * *

James Lovick & Co. (Montreal) says national business newspaper and a wide list of Ontario and Quebec newspapers carry series of 240-line ads featuring the combined freight services to Newfoundland of Clarke Steamship Co., CPR, and Canada Steamship Lines. Series explain that goods can be shipped from anywhere in Canada by rail and water under a single booking.

* * *

McKim Advertising Ltd. (Toronto) handles direct mail campaign for Gutta Percha Rubber Co., aimed at truck and passenger car owners across Canada. Private owners are urged to check tires for strain of summer and winter driving; mailings to truck operators feature Gutta Percha tires for durability and traction under severe driving conditions.

PROGRESS DIVERSIFIED MINERALS reports that on March 18, 1949, Regal Discount Service received an option on 1,600,000 shares at 30 cents to $1.00 per share, payable at a minimum rate of 100,000 shares. By supplementary letters patent dated March 4, 1949, name of the company was changed from Diversified Mining Interests (Canada). Authorized capital of the company is 3.5 million shares of which 1,364,274 shares were issued at last report.

SUDBURY CONTACT MINES has granted extensions of three months on June 9 installment of 40,000 shares at 10c a share and each subsequent installment under agreement with Mentor Exploration & Development Co.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Can Co. (New York)—J. B. Misenhimer (Hamilton, Ont.), to head office in charge new dept. of general planning.

American Society for Testing Materials—J. G. Morrow (Hamilton, Ont.), president.

Associated Canadian Travelers—Douglas Guthrie (Toronto), president.

Belding-Corticelli Ltd. (Montreal) — H. H. Bland, general sales manager.

Bendix Home Appliance Canada Ltd.—W. V. Howarth (Brantford), assistant general manager.

S. F. Bowser Co.—R. D. Marsh, president.

Canada Cement Co. (Montreal)—Joseph M. Breen, president.

Canada Permanent Trust Co. (Toronto)—E. L. MacDonald (Halifax), J. P. Bell, J. M. Pigott, H. M. Patterson and Walter S. Burrill (all of Hamilton, Ont.), directors.

Canadair Ltd. (Montreal)—John H. Davis, European representative, at London.

Canadian Gas Association — Charles M. Seiger (Hamilton, Ont.), president; Hugh G. Smith, 1st. vice-president.

Canadian Industrial Glass Co. (St. Laurent, Que.)—Col. W. E. Phillips (Toronto), president; Clare F. Wood (Toronto), Harry W. Thorp (Montreal), vice-presidents; C. R. Fay, treasurer; P. L. Tod, secretary and assistant treasurer.

Canadian Ophthalmological Society—Dr. R. F. Nicholls (Edmonton), president; Dr. G. Stuart Ramsay (Montreal), vice-president.

Canadian Underwriters' Association (Montreal)—Edgar C. Duff, acting manager.

Canadian Underwriters' Association—R. H. Leckey, president.

Canadian Warehousemen's Association—William B. Cowan (Winnipeg), president; Walter W. Naylor (Toronto), vice-president; W. Denis Day (Toronto), treasurer; Joseph A. Whitmore (Toronto), managing director; Harry Johnston Vancouver), merchandise, Reg Pierce (Winnipeg), cold storage, Joseph Warren (Toronto), household goods, division chairman.

Dominion Board of Insurance Underwriters—A. Leslie Ham (Montreal), manager.

E. B. Eddy Co. (Hull, Que.) —Dr. J. E. Foote, mill manager.

Fire Underwriters' Investigation Bureau of Canada Inc. (Montreal) —Reginald L. Young (Toronto), president; Alfred Campbell (Montreal), Etienne Crevier (Montreal), vice-presidents.

Geyer & Co. Inc. (New York)—David Cowan, a vice-president in charge new dept. to deal in public utility and natural gas securities.

Imperial Life Assurance Co. of Canada — William Ardern, a director.

Junior Chamber of Commerce of Canada—John G. Shepperd (Hamilton, Ont.), president.

McGlashan, Clarke Co. (Niagara Falls, Ont.) — Isabel A. Anderson (secretary), a director.

Montreal Life Underwriters' Association — Julian Benoit, president.

National Industrial Advertisers' Association—William Bates (Montreal), a vice-president.

National Sanitarium Association—E. C. Macleod (Toronto), president.

Ontario Association of Accident & Health Underwriters—William Keir (Toronto), president; Charles Gauvreau, Allan Cosburn, vice-presidents.

Ontario Independent Public Accountants' Association—H. C. Hogg (Toronto), president; B. W. Ware (Oakville), vice-president.

Ontario Trust Cos. Association—R. S. Anderson (Toronto), vice-president; Laurence G. Goodenough (Toronto), acting secretary-treasurer.

Pemberton, Smith & Co. (Montreal) — Robert J. Pollock, assistant manager; Guy deLotbiniere Harwood, treasurer.

Polymer Corp. (Sarnia, Ont.) — Frank Sherman (Hamilton, Ont.), C. A. Massey (Toronto), directors.

Prince of Wales College (Charlottetown) — Prof. Frank MacKinnon (Ottawa), principal.

Quality Records Ltd. (Toronto)—Edward Joseph, plant manager.

RCA Victor Co. (Montreal)—W. W. H. Dean, manager electronic apparatus division, engineering products dept.

Rolph-Clark-Stone Ltd. (Toronto) —F. Grenville Rolph, executive vice-president; Christie T. Clark, vice-president and general manager; Gordon G. Rolph, director of sales.

Saskatchewan Govt. (Regina) — R. J. Henderson, labor relations officer, Dept. of Labor.

Shepard Publishing Co.—E. W. Hooper, a director, advertising manager of Canadian Exporter, Canadian sales supervisor of foreign credit services of Foreign Credit Underwriters' Corp., New York.

Society of Automotive Engineers —William W. Taylor (Toronto), chairman of Canadian section.

Stromberg-Carlson Co. — R. A. Hackbusch, president & managing director; G. G. Holt, vice-president; J. L. Gasser, treasurer.

Toronto Stock Exchange — A. L. A. Richardson, president; D'Arcy M. Doherty, vice-president; George L. Jennison, secretary; J. C. L. Allen, treasurer; Strachan Bongard, Eric D. Scott, members managing committee.

Toilet Goods Manufacturers Association—Peter R. Powell (Toronto), president; T. I. Cosnell (Ste. Therese, Que.), F. L. Gleary (Toronto), 1st and 2nd vice-presidents.

United-Carr Fastener Co. of Canada (Hamilton, Ont.) — Robert M. Healey, sales manager.

Winnipeg Metropolitan Planning Commission — J. B. T. Hebert (St. Boniface), chairman.

Dominion Board of Insurance Underwriters, Montreal, announces the retirement of Arthur H. S. Stead, manager.

Life Insurance Institute Membership Increases

In the recent examinations held by the Life Insurance Institute of Canada, 858 students from Halifax to Vancouver wrote nearly 2,800 papers. The general proficiency course, which consists of 11 examinations, was completed by 48 students this year, and of those who proceeded to the advanced courses, 16 completed the four necessary examinations and will receive diplomas.

Membership of the institute now stands at an all-time high of 1,817. J. L. McLachlin, secretary of the Confederation Life Association, has been elected president for the 1949-50 season.

Obituaries

John E. Baechler, 67, London, Ont., president, Goderich Manufacturing Co.

Harry H. Dempsey, 74, Stratford, Ont., retired former secretary-treasurer, Whyte Packing Co.

Herbert Dennis Dwyer, 75, Montreal, former vice-president W. H. Dwyer Grain Co., and Acme Glove Works Ltd., a director Bruck Mills Ltd., mayor of Hudson Heights, Que., 1944-49.

John William Harper, Toronto, secretary-treasurer Lillico Ltd., drug distributors; partner, Cossar, Harper & Co., chartered accountants.

Frank L. J. Seldon, 56, Hamilton, Ont., former Wartime Prices & Trade Board prices and supply representative, Central Ontario region.

Carlton Thorpe, 43, Toronto, sales and advertising manager, Fairbanks Soap Co.

CANADA'S FIRST BANK

"MY BANK"
TO A MILLION CANADIANS

B of M

BANK OF MONTREAL

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

Your Slacks, Sport Coat Or Tropical Suit . . .

TAILORED TO YOUR INDIVIDUAL MEASURE

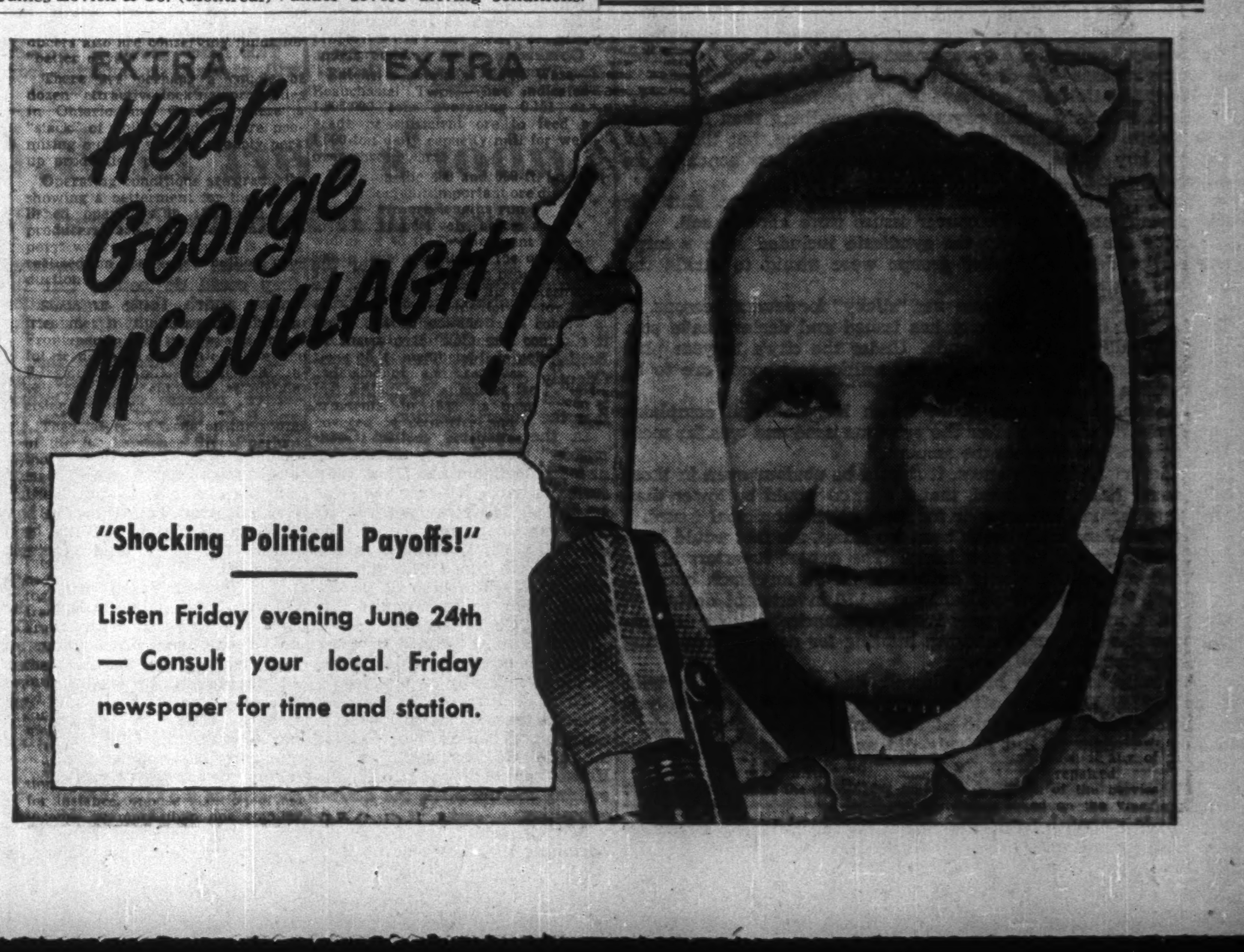
It's a combination of fine fabrics . . . proportion tailoring . . . selection of a just-right style for you and skilled fitting that makes your Simpson's Tailored-to-Measure garment a sound investment. You'll be well groomed, cool and at ease through Summer and early Fall in a fine, all-wool worsted tropical suit! You'll enjoy year 'round comfort . . . dressed for leisure or sport in your Simpson's sports coat and slacks!

- All the popular colors and shades!
- Styled the way you want . . . the way that suits you best!
- Priced to please . . . a sound dollar investment sure to bring top returns!

Comparison is invited . . . when buying your tropical suit or sport coat and slacks visit the Tailored-to-Measure Shop!

TAILORED-TO-MEASURE SHOP
—SECOND FLOOR

Simpson's
TORONTO



"Shocking Political Payoffs!"

Listen Friday evening June 24th — Consult your local Friday newspaper for time and station.

$157 Million Program On Provincial Roads

(Continued from page 1)

work being done on Trans-Canada Highway.

QUEBEC:

Estimates for 1949-50 provided $14.1 millions for repair and maintenance of roads, and $21 millions for capital expenditures subject to an Order-in-Council. No definite figure is available for this summer's work, but work is continuing on a program started in 1945.

Since 1945, 1,983 miles have been asphalted; 4,077 miles reconstructed or constructed and 4,128 miles regravelled.

ONTARIO:

Expenditure this year is at a peak. The province will spend just over $40 millions on construction and maintenance and on some development roads; another $24 millions will go for municipal roads, mostly through subsidies to municipalities.

Main object of the Ontario program is to bring roads up to modern standards after heavy wear and tear of war years. There are no big new road projects. Here are some of the principal projects:

Improvements to Highway No. 11 include a new stretch of paving near Kapuskasing, and another near Matheson; grading near Bracebridge, Huntsville and Severn Bridge.

On Highway No. 17, the Department is trying to finish grading and to pave the entire length between North Bay and Sault Ste. Marie.

Ten clover-leafs and bridges are to be built on the Toronto-Barrie Highway.

MANITOBA:

Another peak in highway expenditure. Sums voted to date are $7.4 millions for main provincial highways, and $1.4 millions for reconstruction and aids to municipalities and school districts.

160 miles of main highway is to be graded, and 65 miles surfaced with asphalt and concrete. The main improvement projects include:

Winnipeg to the international boundary at Emerson.

Brandon to the international boundary at the Peace Gardens.

Brandon to the Saskatchewan boundary. (Trans-Canada Highway.)

SASKATCHEWAN:

One of the largest programs undertaken in last 18 years, with total appropriation of $7.4 millions. $2.5 millions is for maintenance.

New construction includes 400 miles of "bus grade" roads, 430 miles of gravel surfacing, and 105 miles of bituminous-treated gravel. The projects are widely scattered but much work is being done on each of two alternative routes for the Trans-Canada Highway.

ALBERTA:

Work comparable with last two years. Total appropriation for construction is $9.4 millions; 495 miles are to be graded, and 199 miles surfaced with asphalt. Work spread all over the province. No action being taken on the Trans-Canada Highway.

BRITISH COLUMBIA:

The most extensive program ever undertaken; $13 millions to be spent on construction, reconstruction and paving; 350 miles to have new pavements.

EDGAR C. DUFF

has been appointed acting manager of the Canadian Underwriters' Association.

Does Argentine Deal Mean UK Can't Meet ECA Aims?

OTTAWA (Staff) — The Government is critically concerned over the open break on trade policy between U. S. and U. K. — in respect of the proposed Anglo-Argentine trade deal.

The specific commodities involved are not of prime concern to Canada but the apparent determination of U. S. to make a major issue over British discriminatory trade deals, runs closely parallel to Canadian worries on the same score.

No details of the Argentine pact have yet been published. It is reported to cover large quantities of fuel oil and coal, as well as a wide range of manufactured products, machinery, whisky, textiles, etc.

The Americans fear it will give the British a monopoly position in this market for the next five years. While some concessions might be arguable in view of the critical U. K. meat shortage, the bulk of U. S. criticism centres on the length of the pact.

It is being argued in Washington that a water-tight discriminatory deal like this—lasting until at least 1954—is a complete contradiction of the spirit and purpose of E.C.A. principles. Paul G. Hoffman, E.C.A. administrator, is reported as having stated in testimony last week that it was a "dreadful" departure from the kind of multilateral trading system which the Marshall Plan was intended to create.

We Agree With U. S.

While wholly sympathetic to the British plight on meat, many Canadian observers feel in substantial agreement with the U. S. complaint.

For at least six months, the Canadian Government has been protesting in every way possible against the effect and the implications of British bilateral deals. The matter has been raised and argued repeatedly both in public and private.

Publicly, the matter was raised by Canada in very outspoken manner in the 1948 annual report of the FECB. It was raised again in the last Abbott budget speech.

It has been hammered at in various public addresses of authorities like Graham Towers, Governor, of the Bank of Canada.

Wilson's Arguments Fade

Clearly, one purpose of the visit of Rt. Hon. Harold Wilson to Canada last month was to allay the fears on which Canadian criticism was based.

Mr. Wilson drove home the point repeatedly that:

The U. K. Government does not regard the bilateral method of trading as a permanent instrument of policy. Our export trade is far too diverse and variegated to be capable of planning along bilateral lines—we all look forward to the establishment as quickly as possible of a world trading system in which multilateral trade and convertible currency can play their full part."

U. K. Far From Goal?

What seems to have happened in Washington is that the Americans interpret the Argentine agreement as "dreadful" evidence that the British are still a long way from their professed goal.

They seem to feel (as do many Canadians) that the Argentine deal flies directly in the face of these professions; that it does indicate direct bartering; involves very substantial quantities of named goods; etc.

To these allegations there is no doubt the British will plead the sheer economy and political necessity of getting meat.

In reply, the criticism in Washington points to the length of term—five years—and suggests that no matter what the pressures may be today, there is no justification for making a deal that extends so far into the future—unless it is that the British do, in fact, want to make sure of this market for their goods over this extended period and under guise of an immediate dollar necessity.

At the moment, Canada is sitting on the sidelines. But if the U. S. were to exercise its threat to reduce or curtail ECA assistance, we might be very much involved.

Unless that happens, Ottawa will probably content herself by saying: "This is just what we said was happening"—and then let the U. S. carry the ball against the spread of the two-price or "picket fence" trade world which Canada has found so onerous in the past 18 months.

Big TV Expansion Is Planned In Canada by Philips Radio

(Continued from page 1)

Eindhoven. But Dr. van Walsem made it clear that his company is prepared and anxious to manufacture all of these in Canada if as and when there is sufficient market to warrant this.

Philips radio and television activities will be carried on in Canada entirely through Rogers-Majestic in which Philips owns a "substantial" and controlling stock interest. The new plant at Leaside (formerly part of Research Enterprises, Ltd.) will be the focal point for this expansion.

Wherever possible, production will be for export as well as for domestic consumption. Dr. van Walsem told The Post that there are no "Cartel" or other marketing arrangements which limit competition between the company's various plants. But he did say that Canadian wages were high compared to some plants and that volume of many lines was still low. This means that chief export opportunities lie in markets where the empire preference offers attractions, assuming, of course, that present currency and import restrictions can be eased.

Philips operations in the British Commonwealth are operated through a "trust" agreement set up prior to the war. There have been some difficulties in getting adequate capital for dollar expansion but the company has put considerable capital into its Canadian expansion program apart from the Rogers-Majestic stock interest. As well, Canadian operations have been given very substantial technical assistance.

Coming Thing

Dr. van Walsem believes that his company's new "two-way" projection system for television is the "coming" development. This device uses a small 2½-in. bulb but permits a larger image to be thrown on the screen if desired. The smaller bulb is said to have considerable competitive advantages as to cost, handling, etc. Philips Eindhoven is now the largest producer of such equipment in Europe. The new two-way unit is licensed for use in the United States through Emerson, Stromberg-Carlson, Scott, and others.

Philips reached agreement recently with several British companies on a new standard for television broadcasting equipment. They are: Electrical Musical Industries, Ltd.; General Electric Co.; Marconi Wireless and Pye Ltd. The recommended standard is 625 lines, 25 pictures per second, interlaced two to one. Dr. van Walsem is hopeful that eventually this standard will be adopted around the world; although it may be some time in the future before this can be accomplished. At present Philips makes television equipment not only for British and U. S. Standards (which differ), but also for the different French standards.

War Damage Repaired

The Philips Eindhoven plants which were very badly bombed during the war have now been completely rebuilt. Production is now in excess of 1938 both as to volume and value, Dr. van Walsem said. However he does not believe much can be done to expand regional customs areas in Europe before 1952 — the end of the ECA assistance period. He is very hopeful that the Benelux customs union can be expanded, but believes this will come only very gradually.

Trade relations between Canada and the Netherlands can be considerably strengthened, says Dr. van Walsem, but much will depend on ability of Canada to purchase more goods from the Netherlands. In 1948, Netherlands purchases from Canada were $45 millions against exports only $6 millions. A Netherlands-Canadian Chamber of Commerce is presently being organized and an office has already been opened in Montreal.

The goal: "To find markets for Dutch goods in Canada in order to pay for Canadian purchases."

WENGA GOLD MINES has granted an extension on its financing agreement so that first block of 150,000 shares need not be taken up until Oct. 11, 1949, subsequent blocks each three months thereafter.

GOTHIC GOLD MINES reports that at a directors' meeting the option agreement with Goldwin Exploration Co. was extended a further six months at the end of April.

Did CCL Help Or Hinder CCF In B.C. Vote?

(Continued from page 1)

ning as CCF candidates. Others were acting as CCF campaign managers. On election day in B. C. every pro-CCF organizer was on the job. So were hundreds of voluntary canvassers. On the day of the federal election they will have thousands.

In B. C. they weren't enough. Alarmed by what labor did in Ontario and the threat of what they might do in B. C., the Coalition went to work with vigor. It was clearly a fight between free enterprise and Socialism. The clear-cut issue brought about 76% out to vote, a healthy 13% over the 1945 election.

Election observers think it was this extra 13% which sank the CCF. Rain or shine, the CCFer goes to the polls. But the undecided voter—the one who so often means victory or defeat—only goes when he thinks it's urgent enough. This time he did

As a result, the CCF lost ground in ridings which were considered CCF strongholds and where they were expected to gain. Their whip, Herbert Gargrave, a popular and able politician, and a probable successor to Leader Harold Winch, was defeated. Another veteran, Sam Guthrie was removed from a seat he had held since 1937.

What bearing does all this have federally? There is a growing feeling that labor, even in Ontario, isn't doing the job it did last year. At that time, the Communists were officially committed to supporting the CCF. True, they didn't work at it. But this time, the Reds are fighting the Socialists as hard, if not harder, than the older parties.

This opposition has already been reflected in the ranks of labor itself. Last election, the Reds were toeing a party line which required them to, at least, give lip service to the CCF. Since then the line has changed and the CCF is now the party of the hated Social democrats. Labor meetings become bedlam when political action is discussed.

Their Cork-Tips make smoking *—Cleaner!*

What I enjoy so much is the superb quality of Craven 'A' cigarettes—plus the cork tip. They're always delightfully fresh—cool to the tongue—kind to the throat. That's why I prefer Craven 'A'—world-famous for their fine quality.

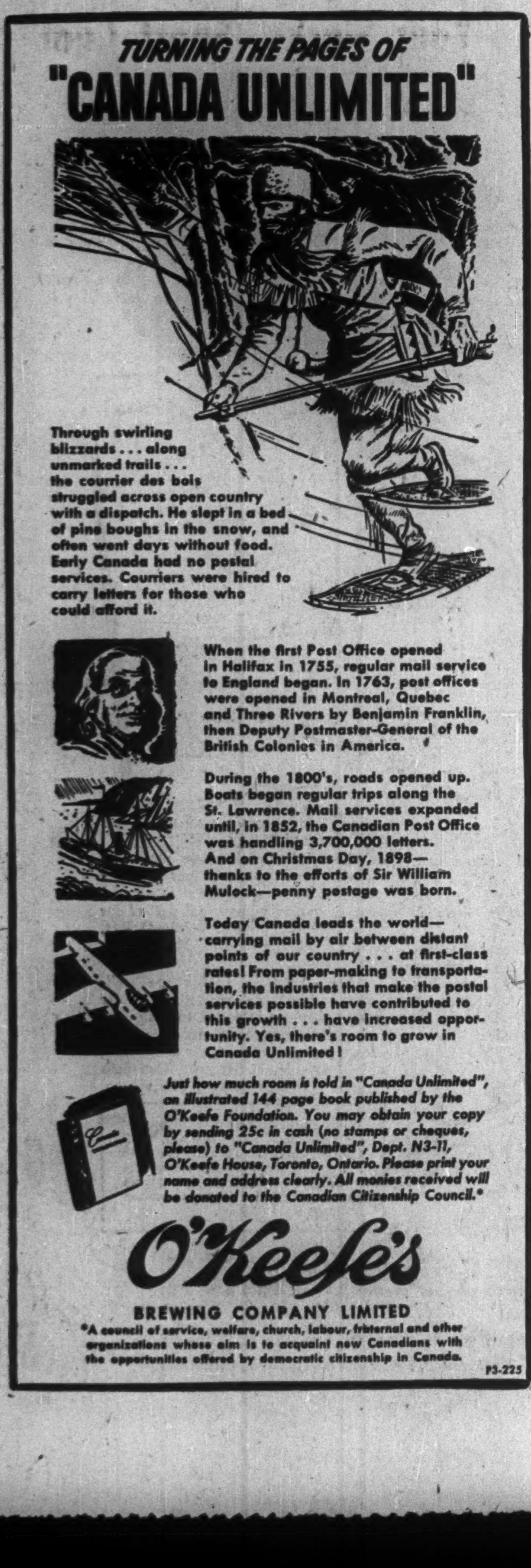
CRAVEN "A"
VIRGINIA CIGARETTES
CRAVEN "A" 20

CRAVEN PLAIN—
without cork tips—
same fine quality as Craven 'A'.

Craven 'A' will not affect the throat

The largest-selling Cork Tipped Cigarette in the world!

CARRERAS LTD., LONDON, ENGLAND—150 YEARS' REPUTATION FOR QUALITY



TURNING THE PAGES OF
"CANADA UNLIMITED"

Through swirling blizzards . . . along unmarked trails . . . the courrier des bois struggled across open country with a dispatch. He slept in a bed of pine boughs in the snow, and often went days without food. Early Canada had no postal services. Couriers were hired to carry letters for those who could afford it.

When the first Post Office opened in Halifax in 1755, regular mail service to England began. In 1763, post offices were opened in Montreal, Quebec and Three Rivers by Benjamin Franklin, then Deputy Postmaster-General of the British Colonies in America.

During the 1800's, roads opened up. Boats began regular trips along the St. Lawrence. Mail services expanded until, in 1852, the Canadian Post Office was handling 3,700,000 letters. And on Christmas Day, 1898—thanks to the efforts of Sir William Mulock—penny postage was born.

Today Canada leads the world—carrying mail by air between distant points of our country . . . at first-class rates! From paper-making to transportation, the industries that make the postal services possible have contributed to this growth . . . have increased opportunity. Yes, there's room to grow in Canada Unlimited!

*Just how much room is told in "Canada Unlimited", an illustrated 144 page book published by the O'Keefe Foundation. You may obtain your copy by sending 25c in cash (no stamps or cheques, please) to "Canada Unlimited", Dept. N3-11, O'Keefe House, Toronto, Ontario. Please print your name and address clearly. All monies received will be donated to the Canadian Citizenship Council.**

O'Keefe's
BREWING COMPANY LIMITED

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F3-225

Look for It Here

June 25, 1949

REGULAR FEATURES

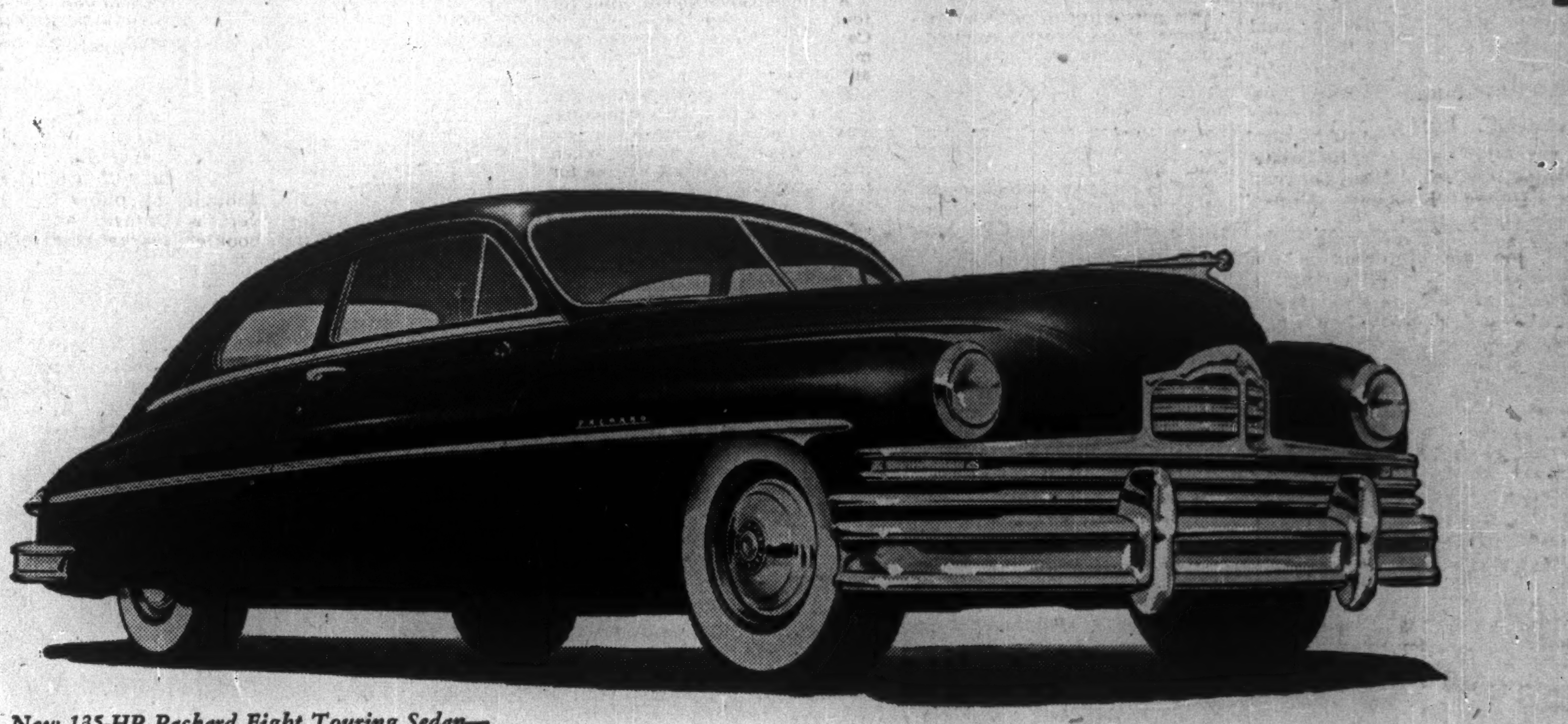
Adelphi	28	Market C'ment	25
Advertising	2, 9	Mining	23, 26, 27
Banking	19	Others Say	6
Editorials	6	Post Scripts	6
Grain	20	Prov. Roundup	18
Indust. Growth	20	The Question	8
Insurance	22	Quotations	24
Investments	4	What's New	14
Labor Roundup	11	You Asked Us	17

INDUSTRIALS

Abitibi P.	5	Jocardi	5
Bay-Adelaide	8	Marvel Rouyn	5
B. A. Oil	4	Man. Sugar	11
Candn. Ind. Glass	4	Mex. Light	19
Can. Gen. Elec.	20	Mon. Life	11
Can. Wallpaper	10	Morrison Brass	28
Calgary Pow.	5	Mtl. L. H. P.	4
Chartered Trust	5	Otaco	5
Chateau Gai	19	Pittsburgh Glass	4
De Havilland	17	Prairie Salt	21
Dom. Stores	7	Quality Steels	11
Dryden Paper	17	Silknit	21
Fleet Mfg.	21	Silverwood	5
Foreign Pow.	4	Un. Fuel Inv.	8
Imperial Oil	20	Walker-Good.	17
Islet Foundry	4	West. Air.	10
Intnl. Hydro	21	Wood, Alex. Jas.	28
Intnl. Nickel	5	White Motors	4
Intnl. Power	21		

MINES AND OILS

Atlant. Refin.	23	N. Inca G.	10
Barnsdall	23	Pan Western	23, 27
Canus Pete.	26	Pato Cons.	26
Chicago Corp.	23	Picamine	21
Cochenour W.	10	Piccadilly	18
Columbia Carb.	23	Pickle Crow	27
Dexter Red L.	8	Quemont	27
Dickenson R. L.	10	Quetide Mg.	17
East Sullivan	23	Repub. Nat. Gas	23
Eldona	18	Royalite Oil	26
Hasaga	17	Seaboard Oil	23
Heva Gold	27	Sheep Cr.	14
Honolulu Oil	23	Siscoe G.	10
Int. Uranium	18	Silanco	8
Is. Mt. Mines	10	Souris Vall.	23
Kirk. Gold. Gate	17	Sohio Oil	23
Kirk.-Larder	23	Starcourt	23
Koot. Belle	10	Sullivan Cons.	26
L. Dufault	26	Texas Gulf	23
L. Superior M.	23	Tiblemont	10
Macho R.	17	Tidewater Asso.	23
Midstate Pete.	23	Union Sulph.	23
Moneta Porc.	23	Un. Keno Hill	22
New Pacalta	27	Ventures	23



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Packard in 1948 made the greatest individual production and sales gain in the entire industry—a gain of 78% over the year before! And Packard is continuing at a record pace in 1949.

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INVESTMENTS THIS WEEK

Will July 1 Tariff Changes Help The Textile Industry?

Management, employees and investors in the Canadian cotton textile industry are watching the calendar closely, with this question in mind:

What's ahead for the industry after July 1?

That's when preferential and most-favored-nation tariff arrangements entered into at Geneva in the autumn of 1947 come back in force.

The average increase on present U. S. and U. K. prices under those tariffs will be 15-17½%. At present prices, that will raise the U. S. goods in Canada to about the Canadian level, will widen the difference between Canadian and higher-priced U. K. goods.

Re-imposition of the tariff may be of benefit, although some segments of the industry are pessimistic. These cotton textile producers are just emerging from a three-month period in which competition from United States has been particularly keen.

On April 1 of this year the Government increased the dollar import quotas by 25%. Since U. S. textile prices have declined since the import restrictions were first imposed, this means that the volume of U. S. imports has been proportionately greater than the increase in the dollar quota would indicate.

This, together with the low tariff, has resulted in a heavy influx of U. S. merchandise. However, this situation comes to an end on July 1 and the Canadian industry will then be able to assess its competitive position under normal tariff conditions, although U. S. imports will still be on quota.

What shape is the industry in? There has been some decline in production, but it is still not known whether the past two months will provide a clue to future trends. Bale openings of raw cotton in Canada in May were down 13% from April but only 6% below last year. The May index figure of bale openings (1935-39=100) stood at 119.3 compared with 135.3 for April and 123.7 in 1948.

Some companies have suspended Saturday work, while others are reducing the number of shifts worked. Chief worry of many mills is the lack of forward buying by retailers and wholesalers. This, of course, is attributed to a "wait-and-see" attitude on the question of prices. From the mill standpoint, this means that manufacturers must try to guess what the market will want six months hence.

Need More Efficiency

Cotton producers along with other textile manufacturers are still running well above pre-war levels. And the return to a competitive market has been useful in emphasizing the need for greater production and efficiency from all workers. Dominion Textile Co. President G. B. Gordon in his company's annual report said:

"The time is already at hand when manufacturing costs must be reduced in order that selling prices for cotton goods may be kept in line with general economic conditions. Union leaders who are seriously concerned about the welfare of their members and the long term possibilities of employment will no doubt recognize this change in conditions and will encourage, rather than oppose, cost reduction by means of increased productivity and improved efficiency."

And looking ahead, Mr. Gordon could have been speaking for most of the industry as well as his own company when he said: "In the past we have managed to meet the difficulties which have faced us from time to time. . . ."

* * *

Dividend Yields Decline After Eight Weeks of Rise

After rising for eight consecutive weeks, the average yield on 112 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of June 20, declined .02 to 6.92% during the past week. Current yield compares with 6.56% one month ago and 5.34% last year.

Common stocks lost .08 in yield at 7.06%, comparing with 6.82% last month and 5.48% one year ago. The preferred and "A" group showed a gain of .06 at 6.70% as against 6.45% a month ago and 5.41% a year ago. Yield on mining stocks continued the upward trend of past eight weeks by gaining .04 at 7.70%. One month ago this group showed a yield of 6.91%, while last year it was 5.41%. Bank stocks gained the minimum fraction of .01 at 4.00%, which figure compares with a yield of 3.94% last month and one year ago.

* * *

B.A. Oil Co. Introduces New Annual Meeting Report

British American Oil Co. introduced an innovation this year in shareholder reports of annual meeting. A copy of the proceedings of the meeting, included questions raised by shareholders and answers given, was distributed to shareholders. Very often, the only record of annual meetings sent to shareholders is a brief formalized report commenting on routine nature of proceedings. It does not include any account of shareholder questions and answers by company officers, very often the most illuminating part of an annual meeting. B. A. is to be commended on the new move.

* * *

For the first time in the history of Dominion Atlantic Railway, four Nova Scotia men have been elected to the board of directors. President N. R. Crump states that he is looking forward to greater development of the territory served by Dominion Atlantic with their addition to the board.

* * *

First shipment on an order for 200 Canadian-made passenger locomotives for India being built by Canadian Locomotive Co. and Montreal Locomotive Works will leave next week. Some 33 locomotives will make up the first shipment, with the remainder loaded during the summer and fall.

* * *

U. S. Investment Firms Continue To Expand

Total assets of 150 U. S. management investment companies registered under the Investment Company Act of 1940, of which 72 were open-end and 78 were closed-end companies, rose $57 millions in the first quarter of 1949, according to an SEC study.

All companies in the aggregate reported an excess of purchases over sales, (excluding purchases or sales of government bonds) of portfolio securities amounting to $10,897,000 compared with a purchase balance of $33,696,000 during the fourth quarter of 1948. The open-end companies showed a purchase balance of $20,865,000 during the first 1949 quarter, but the closed-end companies showed a sales balance of $9,968,000.

In the period, open-end investment companies continued to sell to the public more shares of their stock than they repurchased, with the 72 companies showing an increase of $34,751,901. Closed-end companies continued to retire both their stock and funded debt; the excess of repurchases over sales of stock in the first quarter totaling $2,570,916 while debt was reduced $126,305.

* * *

Annual Reports

In the annual report of John Inglis Co. for the year ended March 31, 1949, operating results have been broken down under various company products. While this is an interesting treatment it might be well, in some brief overall statement, to give the shareholder some idea of the relative importance of the products from an earnings standpoint. The large type and generous white space between lines and separate items makes the report easily readable.

* * *

Chateau-Gai Wines Ltd. annual report for year ended April 30, 1949, includes an interesting pictorial chart showing distribution of dollar sales. Out of each dollar 34c was spent on packages and other costs, 31c on taxes, 10c went to the grape grower, 17c for wages and salaries, 2c for depreciation, leaving 6c of net profit.

* * *

An interesting highlight of this year's annual report of Silverwood Dairies, Ltd. is the historical sketch of 50 years of achievement since the entry of A. E. Silverwood into the dairy industry. The growth of the organization is traced and it is noted that the company was a pioneer in establishing standards and grades of dressed poultry and eggs for domestic and export markets.

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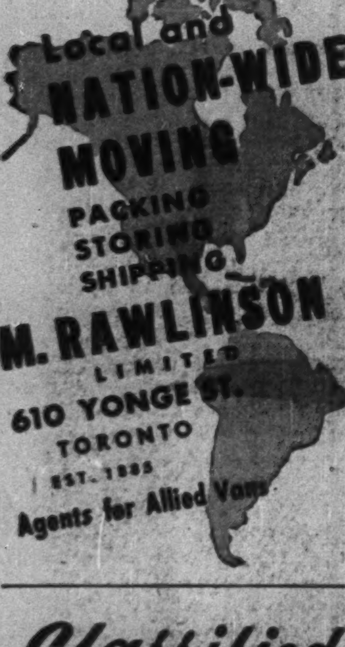

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POSITIONS WANTED

QUALIFIED ACCOUNTANT

AGE 34, 5 years industrial experience, 8 years chartered accountants requires position in Toronto area as accountant, internal auditor etc. Fully experienced costs, taxes, systems, staff supervision, financial statements. Salary approximately $3,600.00. Box 143, The Financial Post, Toronto.

EXECUTIVES — thoroughly experienced Sales and Office Manager available. Trustworthy, good appearance, prima references. Write Box 144, The Financial Post, Toronto.

CORNELL GRADUATE — Bachelor of Science degree. Age 28, single. With good business background in accounting, administration and a knowledge of food, desires responsible position with a future. Box 147, The Financial Post, Toronto.

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FOR WESTERN CANADA to sell to Hardware and Electrical Wholesalers. Successful 3½ year old agency now handling 3 national lines can do justice to one additional line. Box 145, The Financial Post, Toronto.

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A. LESLIE HAM

has been appointed manager of the Dominion Board of Insurance Underwriters'. He has been manager of the Canadian Underwriters' Association since 1935.

L'Islet Co. Makes $300,000 Issue

MONTREAL (Staff) — An issue of $300,000 of Series "A" First Mortgage bonds of La Fonderie De L'Islet, was offered this week by Clement, Guimont, Inc. at 100 and accrued interest. The issue consists of $65,000 of 4% bonds maturing June 1, 1951 to 1954 inclusive and $235,000 4½% maturing June 1, 1955 to 1964 inclusive. Proceeds will be used to repay $48,000 of short-term loans and to increase working capital.

The company, founded in 1916, manufactures and distributes stoves, furnaces, air-conditioning systems. Located at L'Islet station the plant comprises a modern foundry capable of an annual production of 10 million pounds as well as other manufacturing facilities. Products are sold in Quebec, New Brunswick and Northern Ontario.

According to the offering prospectus profit of the company for the year ended March 31, 1949 before depreciation and taxes was $160,694. For the past seven years profits before depreciation and taxes averaged $161,592 or approximately 20 times the annual interest requirements on the new bonds. Current assets at March 31, 1949 totaled $833,416 and current assets $180,823. Total assets amounted to $1,133,059.

White Will Produce New Trucks in Canada

MONTREAL (Staff) — Production of a new line of trucks is announced by White Motor Co. of Canada. Production has already commenced and deliveries are expected to be stepped up during the summer months. These trucks are known as the 3,000 series and are designed for multi-stop delivery service in the medium and light heavy-weight class.

White Co. officials point out that the object of the new functional design is to achieve more deliveries per day. Principal features include cab-over-engine and low-step design. The tilting cab provides assembly line accessibility to the engine and other front chassis parts. Tilting mechanism is an adaptation of the device used to operate bomb-bay doors of combat aircraft. Tilting is actuated by a hand lever located outside, behind the cab.

The 3,000 series is being made in five models ranging from 16,000 lbs. to 32,000 lbs. gross weight.

What's Your Industrial Relations Plan To Meet Stepped-up Communist Drive?

As the tempo of Communist and Socialist attack on the free economic system is stepped up, management's handling of the problem of industrial relations becomes a salient point along the whole front. Recognizing this, the Canadian Manufacturers' Association devoted a special session to industrial relations at its recent annual meeting at St. Andrews-by-The-Sea, N.B. Two of the chief speakers were W. Yalden-Thompson, coordinator of labor relations, Imperial Oil and F. H. Hinton, Industrial Relations and Personnel manager, Shell Oil Co. Following are digests of their speeches:

By W. YALDEN-THOMPSON

In the last few years a good many of us have heard the statement: "What we need is a good depression and then labor would settle down and do some work." This involves the emotion of fear to get workers to perform their function in industry. Quite apart from any humanitarian consideration I doubt if any of us would advocate this method. There are obviously grave disadvantages.

An alternative concept is that you get people to do what you want them to do by kindness; by looking after them; by satisfying their needs. But needs are relative. The satisfaction of one set of needs almost inevitably stimulates the evolution of another. The fact that we satisfy certain basic needs by supplying employees with adequate wages, reasonable hours and good working conditions does not necessarily mean that we have satisfied a group of employees or that in their gratitude they will do what we want them to do.

To rely solely on satisfying your employees' needs for a sound employee-employer relationship is not enough. It is an approach which takes a very narrow view of the complexities of industrial relations. (But) there is another approach which, in a rather subtle way differs from the philosophy of satisfying needs. Essentially it involves creating conditions of such a nature that people will **want** to do the things which are compatible with the aims of the organization.

Paternalism Opposed

It involves providing opportunities for satisfaction rather than merely satisfying; it requires employees to understand and associate themselves with the organization and feel that their welfare is bound up with its success.

It differs from the "satisfaction of need" approach since it permits the employee an opportunity to obtain a sense of personal achievement. It is the opposite to paternalism. It requires a sense of participation from everyone in the organization. It is the essence of what we sometimes refer to somewhat vaguely as "industrial democracy."

Advocates of socialism, of greater government control and ownership, rely for their appeal very largely on the "satisfaction of needs" approach. The government, they say, should take care of everyone. They do not emphasize incentives. They do not talk in terms of a sense of personal achievement. Rather, they speak of freedom from want as though it were possible to satisfy all the desires of all people by waving the magic wand of Socialism.

It is a mistake to underestimate the appeal of such a platform. People still blame private enterprise for the depression of the 30's and believe that their only security lies in the overthrow of our existing system and substitution of an all-powerful paternalistic government.

There are people who believe that we will shortly be faced with another depression. If they are right, private enterprise must accept its share of the responsibility and be willing to make grave sacrifices to insure that another generation is not confronted by a society which does not even provide minimum living requirements for those willing to work. Failure to meet such a challenge would, I believe, destroy the free economic system in which we believe.

How to Meet Challenge

How can management meet these challenges and the challenge of organized labor seeking through political action to influence the political thinking of the working man? The "satisfaction of needs" approach is held widely by some management. There is also a temptation to preach a sermon on the rights and prerogatives of management as though they were divinely established. Such attitudes are purely defensive and inviting attack.

I would suggest that management meet these attacks by creating conditions which will permit people to do and induce them to want to do the things which are compatible with the aims of private enterprise. Management must try to improve the system of communication between all levels within the organization, to give employees a sense of participation, to keep employees well informed on all activities and policy of their company. Management needs to stop underrating the brains and initiative of its employees. Foremen should be encouraged to obtain the views of employees and pass their suggestions up the line to senior management. At the bargaining table management should take advantage of the opportunity to educate employees on company policy and why this or that concession can or cannot be granted. Promote incentive; strive to insure that we retain our position of opportunities; that promotion is possible for those with the necessary ability.

Wages Aren't Everything

By F. H. HINTON

Scientific and technological advances over the past hundred years have a Buck Rogers quality about them. Basic materials and methods have given way to new alloys, sources of power and mechanical ingenuity. But in the sphere of people the basic human factors remain much the same. We are now beginning to see that a new factor is influencing industry which, historically, may prove to be as important as the original industrial revolution itself. It is the battle for the minds of men. Is management going to be able to bring about a new creativeness in the field of industrial relations adequate to meet the new challenge?

Perhaps the single most important factor in management's philosophy is motive. The extensive Mayo study on employee motivation at Western Electric in Chicago, the Hawthorne experiment, resulted in the finding that people respond to a sense of participation, a sense of recognition. Intelligent management today is providing basic measures such as good working conditions, opportunities for advancement, employee benefits, etc. Employee benefits are, to a degree, regulated by company's financial position, but the really important motive is that of social responsibility and sincere caring for people who work in the undertaking. This motive is distinct from promoting good industrial relations in order to "keep the union out" or for better production and profits.

Teamwork Important

Another important factor is the kind of teamwork management produces. The Communists say "There must be no compromise in the struggle between employee and employer; we must develop only a strike movement." The Marxist has enlarged and emphasized the alleged battle line between labor and management. On the other hand, management which says that the only answer to labor-management troubles is a business recession which will put labor back where it belongs provides the counterpart for those who foster this false battle line.

Sound management and the work people are realizing that together they must produce the teamwork which answers the devisive Marxist philosophy, the kind which produces answers to the principle of "mutual consent" rather than by force or through punitive government legislation.

Free enterprise has been described as "free management and free labor in a free society." What is management's part in this society? What new factors will provide the incentive:

(a) To improve production on the basis of there being enough for everyone's need, but not enough for everyone's greed?

(b) To take the offensive and produce revolutionary practices which will provide adequate answers to those who believe the free enterprise system won't work?

(c) To produce a democratic pattern in industry which will provide a pattern of democracy in the national life?

The weapons of the one side in the war of ideas are duplicity and deceit. Unfortunately, we in management occasionally borrow these weapons and have even, on occasion, gained temporary victories through their use. The only answering weapons management can use are moral ones.

Two Approaches Compared

How does this new management philosophy compare with the materialistic approach?

New: Believes in justice in caring for the individual; puts people before things.

Old: Denies the rights of and is indifferent to, justice for the individual.

New: Believes the means as important as the end; the primacy of principle over expediency.

Old: Believes the end justifies the means.

New: Deals with its own faults.

Old: Deals with the faults of others.

New: Recognizes mutuality of interest with its labor and promotes teamwork in industry.

Old: Regards labor as an antagonist and draws a false battle line between it and management.

New: Strives for better production as a service to people.

Old: Streamlines production for maximum profits.

New: Knows that the individual responds to a sense of participation and to moral leadership.

Old: Sees the individual as a materialistic creature whose needs can be met by purely economic means.

New: Believes a new spurt in industry can come through a new spurt in demand.

Old: Believes men and management can't and will not change voluntarily.

Foreign Power Bond Changes Sanctioned

MONTREAL (Staff)—Modifications or compromises of the rights of holders of the bonds, and changes in the trust deed securing the 6% 20-year first collateral trust convertible bonds series "A" of Foreign Power Securities Corp., have been sanctioned.

Montreal Trust Co., trustee, advises holders that they are required on or after June 30, 1949 to surrender their bonds to receive payment of 50% of principal and for attachment of a statement of the fact of such payment; also for attachment of new interest coupons for payment of interest on the bonds accrued and accruing from Dec. 1, 1940 to June 1, 1954.

MLH&P 3% Notes Mature July 1

MONTREAL (Staff) — Holders of Montreal Light, Heat & Power Consolidated 3% convertible note certificates are being advised that the notes will mature July 1, 1949 and interest will cease to accrue on and after that date. Cheque for the half-yearly period Jan. 1, 1949 to July 1, 1949 will be forwarded to holders by Quebec Hydro-Electric Commission on June 30 and the principal amount of the note certificates will be repaid on July 1, 1949.

Pittsburgh Stock At $1.5 Millions Glass Plant Price

Pittsburgh Plate Glass President H. B. Higgins, Pittsburgh, announces 50,000 shares of PPG stock equal to about $1.5 millions have been issued to Industrial Glass Co. in purchase of land, buildings and equipment of window glass plant at St. Laurent, near Montreal (The Financial Post, June 11).

Canadian Industrial Glass Co. is new Pittsburgh wholly owned subsidiary to operate the plant, now closed for repairs to glass melting tank and other equipment. Production will be resumed when this work is completed in August or September. This plant, Canada's only window glass-producing unit, has one continuous tank and three drawing machines.

TOWNSHIP OF MOORE, Ont., new issue of $60,000 3½% debentures due Dec. 31, 1949 to 1968 have been sold to Anderson & Co. Price was $101.834, a cost basis to the municipality of 3.29%. Proceeds are to enlarge a school.

Financing
Canadian Industry

The increasingly competitive nature of to-day's markets often requires new and improved methods of industrial production.

A modernization program may demand more funds than are readily available from company resources. This problem may be aggravated by the need for increased working capital necessitated by higher costs of production and raw materials.

Executives of corporations with a problem of this nature are invited to consult with us concerning the availability of additional capital.

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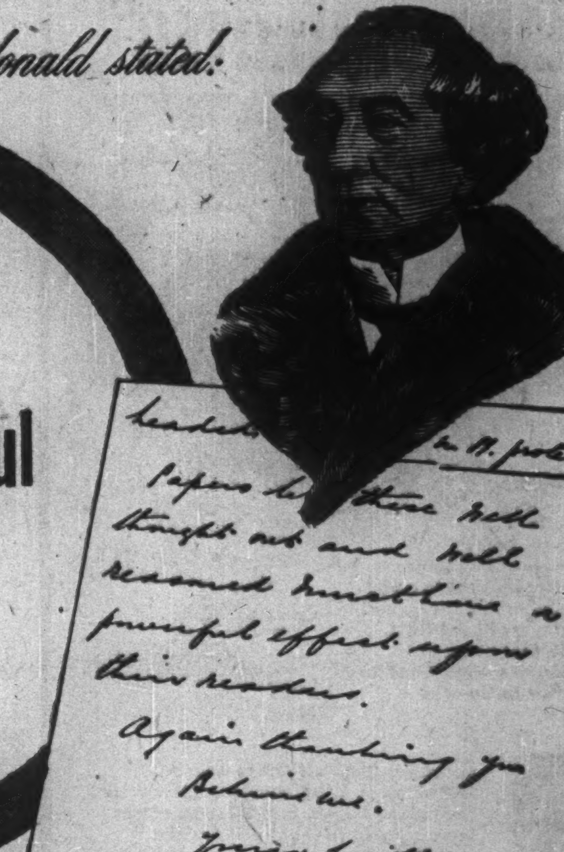

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Again thanking you
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Yours faithfully
John A Macdonald

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*From a letter written by Sir John A. Macdonald in 1887 to the editor of a Canadian business newspaper

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"I should like to take this opportunity of expressing my appreciation of the kind of service rendered by business magazines . . . since our inception have used the business press to reach our customers and prospects"—J. G. MacDermot, Monsanto (Canada) Limited.

"Generally speaking I find business newspapers from both a business or a personal standpoint are very helpful, and I would be lost without them"—Mark W. Booth, Dominion Steel & Coal Corporation, Limited.

"We use business newspapers to announce new products, changes in styling of existing products, changes in prices or company policy; to build prestige for our trademarks; to remind the retailer of seasonal merchandise, etc."—W. F. Holding, General Steel Wares Limited.

"This company has been using a substantial list of business papers to carry its advertising messages for many years, which will indicate that we consider them a very important part of our advertising programme."—John O. Pitt, The Canadian Fairbanks-Morse Company, Limited.

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MANAGED INVESTMENT

Now Opportune to Buy MacNab's Manager Says

Buying on a scale down or up, as the case may be, at this point can be done by any investor with reserve buying power. As almost 40% of MacNab account is invested in fixed income securities, including bonds, preferred stocks and cash, this may be done with this account.

MacNab's Manager Says:

In the sharpest break in stock prices in about three years, the market is now testing the previous low of 1946 when the Dow-Jones industrial average sold at 163.12. The low point for the Dow-Jones industrial average on June 13 was 161.60. Since then, the averages have regained three points lost on that day. The Toronto Stock Exchange industrial index has shown the following changes in the past month.

	May 14	June 15	
Industrials ...	169.43	158.48	Down 10.95
Golds	97.41	89.08	Down 8.33
Base Metals .	86.96	80.78	Down 6.18
Western Oils .	51.07	39.74	Down 11.33

Value of your account has declined from $16,283.00 on May 14 to $15,431.53 on June 15, a percentage decline of about 5.2% compared with an average decline of over 9% for the four indices of the TSE.

It now appears opportune to start buying on a scale with your reserve of bonds, and this policy will be followed in the future. The sharpest break has occurred in the paper and base metals group as well as in the Western oils in which your account is not invested. Stocks which will be averaged down in your account are as follows: Aluminium Ltd., Canadian Canners, International Paper, C.P.R., International Nickel. I see no reason to sell these stocks at present levels as they all represent basic industries and are the largest companies in each of the industries represented.

It is possible the market may go lower, but it would seem that values and earnings are being tossed out the window as the yardstick of stock quotations. Buying on a scale down or up, as the case may be, at this point can be done by any investor **with reserve buying power.** As almost 40% of your account is invested in fixed income securities including bonds, preferred stocks and cash, this may be done in your case.

At this time it is futile to be too opinionated about the future, so we will stick to the companies we know and leave the prognostications about future stock market action to the prophets.

During the month ended June 15 you received $63,53 in dividends. Cash position after monthly withdrawal of $40 for personal expenses amounted to $204.66.

The MacNab Acount Now Stands

No. of Shares	Security	Cost per sh. $	*Market per sh. $
	Common Stocks		
10	Aluminium Ltd.	60½	41¾
25	Bell Telephone	41⅝	40¾
10	Can. Westinghouse ...	55	48¾
25	Can. Canners	21½	13¾
50	CPR	16⅞	12
50	Famous Players	14½	13½
50	Hollinger	11	9¼
50	Imperial Oil	17¼	16⅛
15	Inter. Paper	49⅝	45¾
25	Inter. Nickel	34¾	29⅝
10	McIntyre	55	57½
20	Noranda	49	50¼
15	Powell River	37	34
25	Shawinigan	23½	22¾
30	Sick's Breweries	15¾	17¼
	Preferred Stocks		
10	Steel of Canada	86	80
	Bonds		
1,000	B. C. Tele. 4%/62.	100.00	101½
$1,000	Can. Sav. 2¾/56 ..	100.00	100.00
$2,000	Can. Sav. 2¾/57 ..	100.00	100.00
$1,000	Can. Sav. 2¾/58 ..	100.00	100.00
Cash	....		$204.66
Current market value of fund .			$15,431.53
Average yield on original $10,000			5.16%

As at June 15.

"EXPORT"
CANADA'S FINEST
CIGARETTE

Abitibi Paper To Redeem Stock

At a meeting of the board of directors of Abitibi Power & Paper Co. it was decided to redeem the outstanding 50,000 prior preferred shares on Aug. 1 next. These shares are par value $20 each, provide for an annual cumulative dividend of $2.50 and are redeemable at $37.50 a share plus accrued interest.

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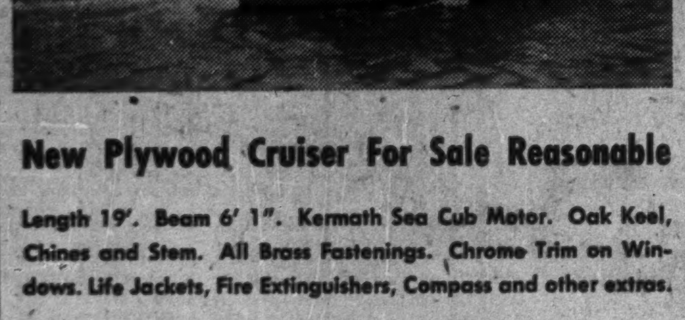

New Plywood Cruiser For Sale Reasonable

Length 19'. Beam 6' 1". Kermath Sea Cub Motor. Oak Keel, Chines and Stem. All Brass Fastenings. Chrome Trim on Windows. Life Jackets, Fire Extinguishers, Compass and other extras.

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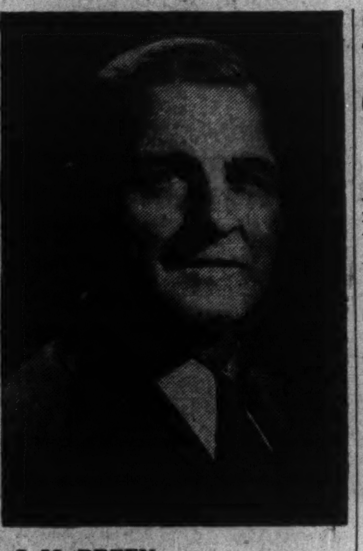

J. M. BREEN

has been elected president of Canada Cement Co., Montreal.

$6 Million Bond Issue Offered by Calgary Power

An offering of $6 million 3⅝% first mortgage bonds of Calgary Power Ltd. is being made by Royal Securities Corp. Price is 100.39 and accrued interest, maturity date June 1, 1972.

Company's capital expenditures on expanded power facilities in Alberta during 1949, 1950 and 1951 will exceed funds available out of earnings during that period by approximately $10.5 millions, it is estimated. Proceeds from sale of bonds will be applied toward financing these excess expenditures, the balance to be raised in due course.

Company capitalization after new financing will consist of an outstanding $17 million first mortgage bonds ($11 million 3¼% series due 1972 and the new issue of $6 million 3⅝% bonds), $7.5 million authorized preferred shares $100 par of which $7 million is outstanding ($5 million 4% series and $2 million 4½%) and an authorized 500,000 common shares (npv) of which 350,000 are outstanding.

The five hydro-electric stations of the company, on the Bow River and its tributaries, now in operation, have a combined installed capacity of 107,550 hp and produce approximately 58% of the electricity generated in Alberta. The main transmission system of 2,800 circuit miles extends over a large part of the more thickly settled areas of the province, reaching northward to a point 60 miles north of Edmonton and southward to within a few miles of the international border, with east and west lateral branches, one of which extends east to just over the Saskatchewan border.

Late in 1948, the company began development of the Spray power and storage site some 20 miles southeast of Banff. This project comprises a reservoir of some 170,000 acre ft. of storage and three power plants, Spray, Rundle and Three Sisters, of 62,000 hp., 23,000 hp., and 5,000 hp. capacity, under heads of 900 ft., 330 ft. and 45 ft. respectively. Construction of reservoir and Spray plant is being pushed with all possible speed and it is hoped that the Spray plant will be in operation late in 1950 or early 1951, but only a limited amount of stored water will be available for power purposes until the low water season of 1951-1952, at which time the Three Sisters plant is also expected to be in operation.

Net profit reached a new high in 1948 at $1,131,911. Average annual net profit for the years 1939 to 1947 inclusive was $491,061. Working capital position at end of 1948 stood at $823,390.

The new issue will rank pari passu with already outstanding $11 million 3¼% series. Additional bonds may be issued but except for refunding purposes, only if net earnings before bond interest, depreciation and income tax, for the preceding fiscal year shall have been not less than the greater of — three times interest charges on all outstanding bonds and those proposed to be issued, or 12% of the aggregate principal amount of such bonds.

The Trust Deed provides for a sinking fund for retirement of the first mortgage bonds of whatever series, payable on Sept. 1 in each year commencing in 1950, of 1% of the principal amount of first mortgage bonds previously issued. Annual interest charges on all first mortgage bonds now to be outstanding will be $575,000.

The new bonds are redeemable, as a whole or in part, at option of company at any time before maturity on 30 days' notice at a premium of 4% up to and including May 31, 1956, the premium thereafter decreasing ¼ of 1% each year until May 31, 1971, and thereafter without premium; in each case with accrued interest. Coupon bonds are in the denomination of $1,000. The bonds will be eligible for investment by Canadian insurance companies, the offering prospectus states.

Otaco, 1st Inco Licensee Makes Ductile Cast Iron

A development possessing revolutionary implications for the cast iron and steel business, the field of design and even transportation. That's what they are saying about ductile cast iron, which uses a nickel-magnesium addition agent and has been developed by International Nickel Co. of Canada.

The product is being turned out in Canada by Otaco Ltd., Orillia, manufacturers of agricultural equipment and a wide range of other products including toys.

Ductile cast iron, which has the characteristics of steel rather than the ordinary grey cast iron casting, can be turned out using the ordinary foundry cupola, the nickel-magnesium addition agent being added to ladles before pouring the iron into molds.

At the Orillia plant of Otaco, The Financial Post saw ductile cast iron samples with a tensile strength of 65,000 to 85,000 lb. per square inch as against 30,000 lb. for grey castings. It was stated that even stronger ductile cast iron could be made with tensile strengths about twice that of some forms of steel.

Present indications are that the ordinary foundry may be able to replace steel castings with a cheaper product. The malleable iron foundries may be hard hit. "Better products can be turned out at astoundingly lower prices," President R. W. Phelps of Otaco declared.

It is indicated that the ductile cast iron may be as much as 40% cheaper than steel castings and that it can apparently be processed in much the same way as steel. It apparently has no drawbacks from the standpoint of elongation and impact qualities. Not much is known yet about "weathering" characteristics. Fatigue ratios of up to 40 to 50% of tensile strength are reported.

Great saving is visualized in not only the actual cost of turning out of parts but through redesign of items to make them lighter weight. Lighter weight will mean savings may be made in transportation costs. Ductile iron will cast into very small sections, unlike steel, it is stated.

Secret of the unusual characteristics of the steel-like ductile cast iron is the reforming of graphite within the casting. Instead of taking a "flake" attitude, causing lines of weakness, as in the ordinary grey iron casting, the graphite forms into little balls or is "nodular."

An extremely wide range of products lend themselves to production from ductile cast iron. Automotive, agricultural implement and railroad industries could apply ductile cast iron as cast and heat-treated in a number of component parts too numerous to mention, it is pointed out. Machinery in general, including machine tools, crankshafts, pumps, compressors, valves and heavy industrial equipment could readily utilize its high strength and rigidity, tests show. Ductility provides thermal shock resistance far greater than that in high carbon castings and therefore suggests that excellent performance can be expected in such items as railroad car wheels and ingot molds. Its superior resistance to growth and oxidation gives promise of its use in engine, furnace and other parts that are used at elevated temperature. Suggested other possible uses include pipe, electrical equipment, paper machinery and marine equipment.

Otaco Ltd. was selected as the first Canadian licensee by International Nickel Co. because of its extensive foundry and laboratory facilities. The new material is being marketed under the trade name "Ductalloy."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SILVERWOOD DAIRIES, LTD., net profit for year ended March 31, 1949, was $568,533, down 21.8% from $726,869 in previous year. Sales increase of 6.7% was more than offset by increased expenses while a loss was sustained on butter inventory due to price drop following introduction of oleomargarine. Profit represented 1.8% on sales compared with 2.4% in previous year.

Silverwood's Lindsay Creamery Ltd. and its branch at Port Perry, became branches of Silverwood Dairies, Ltd., and from Jan. 3, 1949, two branches were added at Caledonia and St. Thomas, bringing number of Eastern Branches to 23.

The remaining Class "A" shares available in the Treasury were sold during the year and Silverwood Western Dairies Ltd. sold the balance of its 5% Preference Treasury Stock in order to reimburse the company for heavy capital expenditures made particularly over the past two years, in modernizing plant and equipment to handle more efficiently the constantly increasing ice cream and milk divisions of the business.

The current year is expected to be one of the best in the company's history since plants and equipment are now in excellent shape, and the company is in a position to handle increased business with maximum efficiency, the annual report states. Results for April show substantial improvement over April of last year, indicating good prospects for balance of the year.

CONSOL. INCOME ACCOUNT♦		
Years Ended Mar. 31:	1949	1948
Sales	$31,673,240	$29,678,524
Net earnings	1,670,507	2,037,040
Less: Res. for depr.	504,218	458,774
Int. on bds., debts. & mtge.	194,116	193,169
Amort. of prem.	3,930	8,604
Pension fund ...	38,710	42,624
Inc. tax	361,000	607,000
Net profit	568,533	726,869
Less appropriations:		
Silv. W't. pf. div.	53,421	35,000
Divds. & min. int. in com.	276	1,292
Silver. Cl. A	277,908	256,054
Silver. Cl. B	108,144	256,090
Less: Div. on shs. held by sub.	3,535	8,642
Surp. for year	132,319	187,075
♦Incl. Silverwood Western Dairies Ltd.		
Times Interest Earned:		
Before depr.	8.61	10.54
After depr.	6.01	8.17
Earnings per Share and Divd. Record:		
Cl. A: Earned† .	$1.04	$1.64
Paid	0.60	0.60
Cl. B: Earned† ..	0.54	1.04
Paid	0.25	0.60
Cl. A & B†	♠	0.82

†Before (‡after) participation.

♠Earnings not sufficient to provide participation on Cl. A or B shs. in 1949.

CONDENSED CONS. BALANCE SHEET		
As at Mar. 31:	1949	1948
Cash & Dom. bds. ..	$1,346,686	$1,658,098
Misc. mkt. sec.	9,850	9,850
Accts. rec.	853,336	867,717
Refund. taxes	118,500	40,000
Life ins., c.s.v.	1,899	17,934
Inventories	1,594,729	1,207,820
Total curr. assets .	3,925,000	3,801,419
Misc. assets♠	547,973	644,818
Fixed assets	12,017,846	10,750,631
Goodwill	420,820	444,844
Total assets	16,911,639	15,641,712
Subs. bk. o'draft ..	48,475	......
Accts. & tax. pay. ..	1,925,367	2,188,876
Bonds, etc., mat.	157,000	140,000
Divds., int., etc.	189,999	253,041
Total curr. liab. .	2,320,841	2,581,917
Funded debt	4,730,500	4,807,500
Min. int. S. W't. D. .	1,181,363	708,917
Deprec. res.	5,177,247	4,945,020
Capital stock	2,773,315	1,970,293
Surplus	728,373	628,065
♠Incl. ref. EPT	151,000	232,000
Working capital	1,604,159	1,219,502

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Dominion of Canada Treasury bills, due Sept. 9, 1949. $75,000,000 issued June 9, 1949. Sold at $99.87 to yield 0.500%.

PROVINCIAL

Province of Nova Scotia—2½% and 3¼% debentures, due June 15, 1953-65, $19,000,000, dated June 15, 1949. 1965 maturity debentures offered at $100 and accrued interest by a large syndicate of investment dealers and banks. The 1953 maturity debentures having been sold.

MUNICIPAL

Montreal Protestant School Board — 3% and 3½% debentures, due May 1, 1950-54-64, $3,000,000, issued May 25, 1949. Sold at $96.25 by A. E. Ames & Co. Ltd., Bank of Montreal, Wood, Gundy Corp. Ltd., Dominion Securities Corp. Ltd., Royal Bank of Canada, L. G. Beaubien & Co. Ltd., Nesbitt, Thomson & Co. Ltd. and Gairdner & Co. Ltd.

School Commission of the Village of St. Charles de Joliette, Que. — 3% and 3½% debentures, due Apr. 1, 1950-61-69, $175,000, issued June 6, 1949. Sold at $98.40 to Rene T. Leclerc Inc.

City of Sherbrooke, Que. — 3% debentures, due Apr. 1, 1950-69, $50,000, issued June 7, 1949. Sold at $97.906 to Casgrain & Co. Ltd. and Dudley Dawson Ltd.

County of Halifax, N.S.—3% debentures, due June 1, 1950-61, $12,000, issued June 8, 1949. Sold at $100.71 to F. J. Brennan & Co. Ltd.

City of Woodstock, Ont.—2½% and 3% debentures, due June 15, 1950-54-59, $101,404 to Fairclough & Co. Ltd.

Protestant School Trustees of Municipality of Rawdon, Que. — 3%, 3¼% and 3½% debentures, due Mar. 1, 1950-54-59-69, $70,000, issued June 10, 1949. Sold privately at $96.08.

Municipality of Ste. - Anne - de-la-Pocatiere, Que.—3½% debentures, due Feb. 1, 1950-62, $15,000, issued June 10, 1949. Sold privately at $100.

City of Moncton, N.B. — 3¼% and 3½% noncallable debentures, due July 2, 1950-54-58-59, $500,0000, issued May 31, 1949. Sold at $101.27 to Royal Securities Corp. Ltd. and Canadian Bank of Commerce.

Township of Moore, Ont.—3½% debentures, due Dec. 31, 1949-68, $80,000, issued June 1, 1949. Sold at $101.834, cost basis 3.29% to Anderson & Co.

CORPORATE

Rapid Grip & Batten Ltd.—5% 1st mortgage bonds, series A, due June 1, 1969, $800,000, issued June 10, 1949. Offered at $100 by Harrison & Co. Ltd.

Super - Service Stations — 4½% debentures, due July 1, 1966, $500,000 issued June 10, 1949. Offered at $100 by W. C. Pitfield & Co. Ltd.

La Fonderie de L'Islet — 4% and 4½% first mortgage bonds, series A, due June 1, 1951-54-64, $300,000, dated June 1, 1949. Sold at $100 plus accrued interest by Clement, Guimont Inc.

Pay Record Price Alta. Oil Acreage

From Our Own Correspondent

EDMONTON — Amerada Petroleum corp. of Delaware has paid the Alberta Government a record breaking $3,223,320 in an oil lands sale of one section of the Redwater field, about 35 miles northeast of Edmonton.

The corporation bought section 16, immediately west of the section for which Royalite Oil Co. earlier this year paid the previous record price of $3,153,491.

Royalite's success in bringing a full quota of 16 wells into production on section 15 is believed to augur well for the productive possibilities of the newly-purchased section 16.

The successful Amerada cash bonus offer for the oil rights was one of several tendered. The cash bonus was equivalent to a price of $5,036 per acre.

LAGUERRE GOLD MINES has sold bulk of its equipment and property remains idle, President J. Ingram states in the annual report. Balance sheet as at March 31, 1949, shows $3,150 cash, $46,131 bonds and $1,218 of receivables against current liabilities of $100.

MARVEL ROUYN MINES under date of April 7, 1949, granted an option to Baylord Securities on 1.3 million shares at 5 to 50c a share. Authorized capital of the company is 3.5 million shares of which 1,700,005 shares are reported issued.

Municipal Bonds

June 21, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria ...	3¾	'55-66	97	99¼	3.79
Vancouver .	3	'67	90	92¼	3.58
Calgary ...	3½	'62	98	101	3.44
Edmonton .	3½	'60	98	101	3.39
Regina	3	'64	90	93	3.49
Moose Jaw 3-3½		'60	94	97	3.50
Winnipeg ..	2¾	'66	92½	95	3.12
Ottawa	3	'54	101½	103½	2.43
Toronto ...	2¾	'72	92	95	3.11
Hamilton ..	3	'60	98½	100½	2.94
Windsor ...	2½	'75	72½	75½	4.00
Quebec	2¾	'66	90	93	3.38
Halifax	3	'66	92	95	3.31
Saint John.	3½	'65	98	101	3.34
Windsor ...	2¾	'75	76	79	4.00
Windsor ...	3½	'75	88½	91½	4.00
Montreal ..	3	'70	90	92	3.38

ONTARIO LOAN AND DEBENTURE CO.

LONDON, CANADA
Established 1870

Mortgage Loans for Building or Buying Homes.

Convenient monthly payment mortgage plans.

Life Insurance Sales Increase

Gain Shown for May in Eight Provinces — Five Months Total Up

Purchases of new life insurance by Canadians in May totaled $106.8 millions, an increase of about 5.4% over the same month last year.

Total sales for the first five months of 1949 were over $520 millions against $508 millions last year.

The continued upward tendency of insurance sales is attributed to factors operative for some time; high levels of employment and wages, appreciation of the need of insurance protection and an active army of underwriters.

All provinces but Prince Edward Island and New Brunswick showed increases. The figures for new ordinary insurance are announced by the Canadian Life Insurance Association. Comparisons follow:

Sales of New Ordinary Life Insurance In Canada

Sales in May (000's of $)	1949	1948
British Columbia	9,212	8,968
Alberta	7,214	6,170
Saskatchewan	3,883	2,948
Manitoba	6,181	5,628
Ontario	44,432	43,053
Quebec	29,187	27,220
New Brunswick	2,527	2,627
Nova Scotia	3,388	3,218
Prince Edward Island.	190	521
Newfoundland	617	607
Total	106,831	101,010
Sales by Months (000's of $)		
Jan.	106,621	99,037
Feb.	99,239	101,483
Mar.	104,662	104,653
Apr.	102,917	102,810
May	106,831	101,010
June	......	101,667
July	......	93,809
Aug.	......	84,013
Sept.	......	84,728
Oct.	......	100,887
Nov.	......	120,408
Dec.	......	113,317
	520,270	1,207,820

Chartered Trust To Split Stock

A special general meeting of shareholders of Chartered Trust & Executors Co. this week unanimously approved a five-for-one stock split. The new capital plan will come into effect July 1. At the same time the company name will be changed to Chartered Trust Co.

Under the new bylaw, each share of capital stock, which consists of 25,000 shares par $100, (10,000 shares issued), will be subdivided into five shares, par $20 each. This will result in an authorized capital of 125,000 shares, par $20, of which 50,000 shares will be issued.

JOCARDI PROSPECTING SYNDICATE has been granted permission for sale of units in Ontario by the Ontario Securities Commission. Authorized capital of 350 units of $100 par cannot be sold to realize over $35,000 in the aggregate.

GOVERNMENT AND MUNICIPAL BONDS

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920

MONTREAL TORONTO WINNIPEG

PROVINCE OF NEW BRUNSWICK

REDEMPTION OF DEBENTURES

Notice is hereby given that the Province of New Brunswick intends to redeem, for Sinking Fund purposes only, a portion selected by lot by the Department of the Provincial Secretary-Treasurer of the 3¾% Debentures, dated 1st August, 1942, and maturing on the 1st August, 1954, pursuant to the option for redemption set forth in the said Debentures, such redemption to be at 101% of the principal amount. The said redemption will take place on 1st August, A.D., 1949.

The portion of the said Debenture issue to be redeemed on the said date has been selected by lot by the Department of the Provincial Secretary-Treasurer, and the numbers of the said Debentures so selected for redemption are as follows:—

Numbers MZ0214, MZ0229, MZ0282, MZ0411, MZ0569, MZ0594, MZ0608, MZ0629, MZ0669, MZ0677, MZ0755, MZ0776, MZ0858, MZ0880, MZ0895, MZ0900, MZ0957, MZ0995, MZ1008, MZ1048, MZ1107, MZ1141, MZ1334, MZ1350, MZ1386, MZ1411, MZ1412, MZ1424, MZ1698, MZ1730, MZ1741, MZ1777, MZ1791, MZ1816, MZ1836, MZ1840, MZ1893, MZ1918, MZ1923, MZ1930, MZ1952, MZ1994, MZ2005, MZ2025, MZ2029, MZ2052, MZ2100, MZ2106, MZ2112, MZ2190, MZ2220, MZ2274, MZ2287, MZ2521, MZ2535, MZ2558, MZ2930, MZ2936, each at $1,000.

Numbers MZ2725, MZ2730, MZ2759, MZ2861, each at $500.

Numbers VJ160, VJ161, VJ169, VJ184, VJ228, VJ284, VJ295, VJ337, VJ349, VJ358, VJ420, each at $1,000.

The following Debentures called for redemption 1st February, 1949, have not yet been presented for payment:—

Numbers MZ0769, MZ1330, MZ1799, MZ1916, MZ2452, MZ2454, each at $1,000.

Numbers MZ2793, MZ2795, each at $500.

Holders of the Debentures above enumerated are hereby required to present their Debenture Certificates for redemption on the said 1st August, 1949, at the principal office of the Bank of Montreal in any of the cities of Fredericton, Halifax, Saint John (N.B.), Montreal, Toronto, Winnipeg, Regina, Calgary or Vancouver.

DATED at Fredericton, N.B., this 13th day of June, A.D., 1949.

J. J. HAYES DOONE,
Provincial Secretary-Treasurer.

FOUNDRY MACHINERY AND CORE OILS

A Netherlands company, manufacturing modern foundry equipment and core oils, wishes to contact a Canadian firm having good relations in the foundry trade and willing to act as its agent.

Letters giving full particulars can be addressed to the Commercial Secretary, The Netherlands Embassy, 168 Laurier Ave. East, Ottawa.

Armco Steelox School erected in Guelph, Ont.

ARMCO STEELOX

— more value for your building dollar

- Low installed cost
- Attractive appearance
- Fire-resistant
- All-steel construction
- Extra weathertight and comfortable
- Fast erection by unskilled labour
- Can be painted immediately
- Low maintenance
- Long, trouble-free life

CLIP AND MAIL THIS COUPON

Armco Drainage & Metal Products of Canada Ltd.,
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Please send me full data on Armco STEELOX Buildings.

Name.............................
Address.............City.............

Delivered . . .

ready to erect!

Just pick the building you need from the wide range of sizes

ARMCO STEELOX buildings have many advantages.

Sturdy construction and fine appearance qualify them for a wide variety of purposes —offices, warehouses, garages, utility buildings, small factories, etc.

Being all-steel, they are fire-resistant, exceptionally weathertight, have low upkeep cost and long life.

Accurately designed and manufactured, they can be quickly erected by unskilled labour.

You can get *prompt delivery.* Just choose and order!

Sizes range from 8 to 28 feet wide, 8 to 14 feet high, almost any length you want. Send the coupon at left TODAY for data.

ARMCO DRAINAGE & METAL PRODUCTS OF CANADA LTD.

LENNOXVILLE GUELPH WINNIPEG
REGINA EDMONTON CALGARY VANCOUVER

166-8

Is Isolationism Really Dead?

The most serious effects of the slowdown in business in the United States may be felt internationally more than domestically. As the fear of a recession besets labor and business in the U. S. it is becoming increasingly difficult for the Truman administration to get support for the liberal trade policies and the cooperative international approach to trade problems which has marked the recent years.

Rumblings of protest are already being heard from both labor and business about ECA funds being used to finance any purchases not made directly in the United States. Ostensibly on grounds of economy, but with many other considerations in the background, Congress is threatening to reduce this year's ECA appropriation below what Paul Hoffman himself thinks necessary. The Marshall plan countries are anxious, instead of confident, and Canadians share that anxiety.

As reported in The Financial Post last week, any Administration attempt to reduce tariff barriers is also going to run into heavy and powerful opposition. It is in part merely the familiar, short-sighted attempt to secure protection for local industries whenever they meet foreign competition. But there is a more fundamental cause, which is reflected in the attitude of many U. S. businessmen to such attempts at international co-operation as the International Trade Organization.

The Charter of the ITO has been condemned by many of them as leaving other nations free to adopt discriminatory measures while preventing the United States from doing so. This line of criticism shows a complete lack of understanding of the position of the United States in the new postwar world.

The U. S. is creditor to all the world: a creditor does not conduct his affairs the same way as a debtor. If other countries, including Canada, find themselves driven to adopt discriminatory trade practices, it is not necessarily out of sheer love of wickedness. It is because they have to preserve their existence in a debtor's position. If the debtors are to have no chance to recoup their fortunes. they will never get out of the red and the creditor will never be paid.

ECA was not designed as an act of charity; it was not designed as a move to frustrate communism. It was designed as a measure of far-sighted self-interest. It was undertaken in the belief that the recovery of Western Europe and the restoration of transatlantic trade were essential to permanent American prosperity. This is just as valid today as when the plan was originally conceived.

It carries with it the necessary corollary that the United States should encourage imports from the Marshall Plan countries just as she should encourage imports from Canada. For the U. S. to turn back to protectionism now would be to make complete nonsense of the European Recovery program and to throw away the vast sums that have already been spent on it.

This is a problem for all the statesmanship of which the Administration and Congress are capable. It is their problem; but they should know that the rest of the world is watching anxiously.

Canadians have heard countless assurances from south of the border that isolationism is dead. The most insidious form of isolationism is in the economic field. If it is indeed dead the new pressures for tariff protection will get no support from Administration, Congress or public. This is a crucial test.

Taxpayers Get No Gifts

In explaining to Toronto officials some proposed expenditures by the Canadian National Exhibition last week, General Manager Elwood Hughes declared that one substantial item wouldn't cost taxpayers a cent. The money for this bit of finery—two fountains and a pond to cost $48,000—would come out of a special grant from the Dominion Government, Mr. Hughes explained.

It is statements like these that have cost Canadian taxpayers enormous sums of public money and kept our tax rates needlessly high. The people who make them and the listeners who accept them, seem to think that in this country we have three completely separate classes of taxpayers, just as we have three separate levels of government. Only citizens gullible enough to believe that nonsense will also believe that if the provincial or federal government pays for some local expenditures then it costs them nothing.

Where do such people think that governments get the money?

It's about time every man, woman and child in Canada realized that there is no such thing as a gift from any government. Despite all the premises we have been hearing in the last few weeks the fact remains that every dollar spent by municipal, provincial and federal governments comes from one source only, the taxpayer. Before a government can give it must take away.

If Mr. Hughes goes ahead with his fountains and ponds, the taxpayers are going to foot the bill. It doesn't make a particle of difference whether the money is routed via Ottawa or their own local City Hall. It just isn't possible for any public body to do anything "without costing the taxpayer a cent."

Would Stunt Our Future

A resolution passed at a convention of war veterans in Alberta urges the Dominion Government to restrict immigration to people of "British descent." There should be little attention paid to that short-sighted, unreasonable and decidedly undemocratic request.

The delegates who voted approval must have been completely blind. They only had to look around the province where their convention was held to see the immense benefits of wide-open immigration.

In Alberta, as in all our western provinces, a great deal of development and progress is the work of people whose forebears never touched foot in the British Isles. Many of them, it is true, did come from Britain but thousands of others trace their ancestry to France, Germany, Belgium, the Netherlands, the Scandinavian countries or elsewhere.

This influx of new blood, has brought us increased strength, just as continuous immigration from continental Europe all down through the centuries, has enriched the United Kingdom.

Until this country is fully settled, we have no right, and we would be extremely foolish, to bar any newcomer willing to work and to fit into our way of life.

Enterprise Must Be Enterprising

A Canadian who well understands the importance of boosting British imports recently had occasion to buy half a million dollars worth of special equipment for a new building.

He directed that British suppliers be asked to bid for the business. Full specifications were sent with the invitation.

Over a month later he received a reply, apologizing for the delay, saying the firm "might" be interested, asking if an engineer could come over to investigate in about two months.

What happened? The Canadian hit the roof, telephoned a U. S. supplier. An engineer was here about 24 hours later and in 48 hours the contract for U. S. equipment was signed.

Britain loses in not earning a substantial volume of dollars. Canada loses in having to put out a wad of precious U. S. dollars. All because of sleepy methods completely out of step with the times.

Harold Wilson, president of the U. K. Board of Trade, has gone back to Britain making speeches to the effect that "Canada is a 'land of opportunity for the exporter from Britain." He is lecturing British businessmen to put Canadian orders at the top of their lists, to abandon so far as Canadian orders are concerned the traditional policy of first come, first served.

The ironic point of the matter is that here is a Socialist finding it necessary to preach enterprise to people who are avowedly free enterprisers.

It is a sermon that can't be too oft repeated that, to survive, "free enterprise" must be enterprising.

But Mr. Wilson surely knows one of the main reasons why so much of British enterprise is low in horsepower. Tangled in government red tape, bled white with taxation, and constantly threatened with the nationalization axe, British business hasn't much incentive to effort.

The Canadian Character

If we Canadians are a puzzle to ourselves we are much more of a puzzle to our neighbors; and not many of us are as good as we should be at explaining what Canada is about.

An audience of Americans at a recent meeting in Buffalo heard an address of rare perception on the nature of the Canadian from W. Arthur Irwin, Editor of Maclean's Magazine. After reminding them that just less than half of Canadians are of Anglo-Saxon extraction, Mr. Irwin went on:

> "We are sprung from many sources but the one thing we now have in common as a people is that we are Americans—North Americans, just as you are. Some of us were very early Americans. The French Canadian for instance has more American generations behind him than any other white stock north of the Rio Grande save the Spanish.
>
> "But two things distinguish us from other Americans. First, we are the northern North American with all that implies in terms of the influence of climate and terrain on character and a way of life. Second, we are the unique American in that we alone among all the Americans of two continents have insisted on maintaining political connections with our parent stem in Europe . . . All other Americans at one time or another have cut the connection or had it cut for them. Only the Canadian American refused to break his political continuity with history.
>
> "This is of course a simple and obvious fact but in my view it is the first basic clue to the Canadian character. I don't think you can understand the Canadian unless you appreciate that he is really two persons in one.
>
> "In one aspect of his being he is a Geography Man, a man moulded by the geography of northern North America, a man who has had to build a way of life suited to a stern and difficult land, in the face of great obstacles both physical and political.
>
> "In his other aspect he is a History Man, a man who has responded and still responds to the pulls of history—a man driven by a deep intuitive response to the traditional values in his heritage overseas.
>
> "The Canadian, in short, is the northern North American in whom there has been and still is a constant conflict between history and geography."

From this there results, said Mr. Irwin, a dualism in Canadian life. To recognize this dualism, he might have added, is not to regret it. Too many Canadians are ready to deprecate their attempt to combine the link with the old world with the influence of the new. The combination should be a constant challenge and a source of perpetual pride.

Don't Exaggerate Gloom

As the Royal Commission on Transportation moves across Canada holding hearings in different cities, the scope and complexity of Canada's transport problems becomes more and more baffling to the observer.

Regional pressures and sectional pressures, labor claims and business complaints all pile in. The Royal Commission will perform a truly valuable service if it can only untangle the facts from the propaganda. What we need is a clear picture of the situation, as free as it can possibly be from prejudice or special pleading. Until such a picture is available it is salutary to remember that the railway problem is not peculiar to Canada, and that we may not be as badly off as we sometimes think we are. P. C. Armstrong, economist of the CPR, did well to remind us of some comparisons the other day.

> "Wheat moves, he said, from Central Saskatchewan to Fort William at less than half the rate per hundred pounds charged from Montana to Duluth. Potatoes move from New Brunswick to Toronto at little more than half the rate on movement over the shorter distance from Maine to Philadelphia. Lumber from the State of Washington pays a higher rate to its markets in the industrial East than lumber from British Columbia does to the markets of central Canada. Motor cars are transported more cheaply from Windsor to the Prairie provinces than they are from Detroit to corresponding districts in the United States."

The freight rate structure and much else in the Canadian transportation picture may require revision. But let's not pretend it's worse than it is.

Napier Moore's Scratch Pad

LIKE A LOT of other people, we often are surprised to discover that a prominent man has a profound interest in some subject entirely foreign to the activity with which he is mainly associated. We aren't thinking of bank presidents who can be demons at poker. Or big industrialists who breed prize cattle or keep a bee. What we have in mind are cases such as, say, a lawyer-premier who turns out to be a student of military strategy in campaigns ancient and modern.

Why we should be surprised we don't know.

The other night we attended a small private dinner given for Rt. Hon. L. S. Amery. Now Col. Amery has been secretary of the Imperial War Cabinet, a member of the General Staff, First Lord of the Admiralty, Secretary of State for the Colonies, Secretary of State for Dominion Affairs and Secretary of State for India and Burma. Yet it didn't surprise us to learn some years ago that he loves to climb mountains. There's a peak in the Canadian Rockies named after him, and last week he took his son, Capt. Julian, to see it.

During the after-dinner conversation, Col. Amery happened to refer to his earlier days in South Africa, where he was correspondent for the London Times. He mentioned that he had covered the Boer War; that for a brief period he astonishingly had been an "accredited British correspondent" with the Boer commander, Joubert.

That was when Ontario's premier, Leslie Frost, surprised us. He asked some knowledgeable questions about the campaign, the answer to one of which he had been seeking for many years. It was: If Joubert, in his dash through Natal, driving the British back on Ladysmith, had pushed on, could he not have won the war?

Amery thought there was little doubt about it. For British calculations as to enemy strength and disposition were wrong; their own forces were badly placed. He added that the history of warfare abounds with such examples of missed opportunities. "Bull Run, for instance," said Premier Frost, revealing a knowledge of the American Civil War too.

* * *

CENTRAL CANADA delegates who attended the meetings of the Canadian Manufacturers' Association at St. Andrews returned home well pleased with their tour of the Maritimes. Apart from the business angles of the trip, they had high praise for a special performance of the Gondoliers staged for their entertainment in Sackville by the Mount Allison Choral Society.

It happened that all through the afternoon and evening a man in Toronto had been trying without success to reach one of the delegates by telephone. Around 8 p.m., long distance called him at his home and said that the Sackville operator had just reported not only her failure to reach the wanted party, but her inability to raise anybody in Sackville, including the hotel switchboard. She said, "Everybody's gone to the opera."

* * *

WE READ THAT better golf balls are on the way. A new elastic substance, silicone "bounding putty," forms the most resilient centre ever found in a golf ball.

The C.I.L. Oval, which conveys the news, adds that "an electronic device controls the tension of the thread wrapped around the silicone centre and gives uniform performance to every ball."

Our belief is that performance will still depend on the manner in which the ball is socked.

What we need inside a ball is a radar device that will guide it toward the pin.

* * *

IN ENGLAND, cheering delegates at a conference of Boot Trades' Associations passed a resolution objecting to shoe repairing operatives being described as cobblers. They asked newspapers to stop using this "offensive word." One delegate said the meaning of "cobbler" was a clumsy workman. Delegates opposed to the resolution, and they were swamped, said it would only provide ammunition for funny headlines.

JOHN GLOAG, well-known British writer, in a pamphlet on the workings of Socialism in his own country, quotes the London Evening Standard as authority for the statement that India recently ordered 10,000 railway buffers from the Royal Ordnance Factories, which charged £24. 11. 3. per buffer. India contended that the trade price was £6. 8. 0. The Ministry conducting the negotiations agreed to accept £9. 12. 0. and the Treasury agreed to write off £162,714.

Stop Me If—

Teacher—"Johnnie, I'm ashamed of you. When I was no bigger than you, I could reel off all the Kings in order without hesitation."

Johnnie—"Yeah; but there was only three or four of them then."

* * *

Policeman—(Calling up station)—"A man has been robbed down here, and I've got one of them."

Chief—"Which one have you?"

Policeman—"The man that was robbed."

* * *

Lecturer: Can anyone give the derivation of the word "auditorium"?

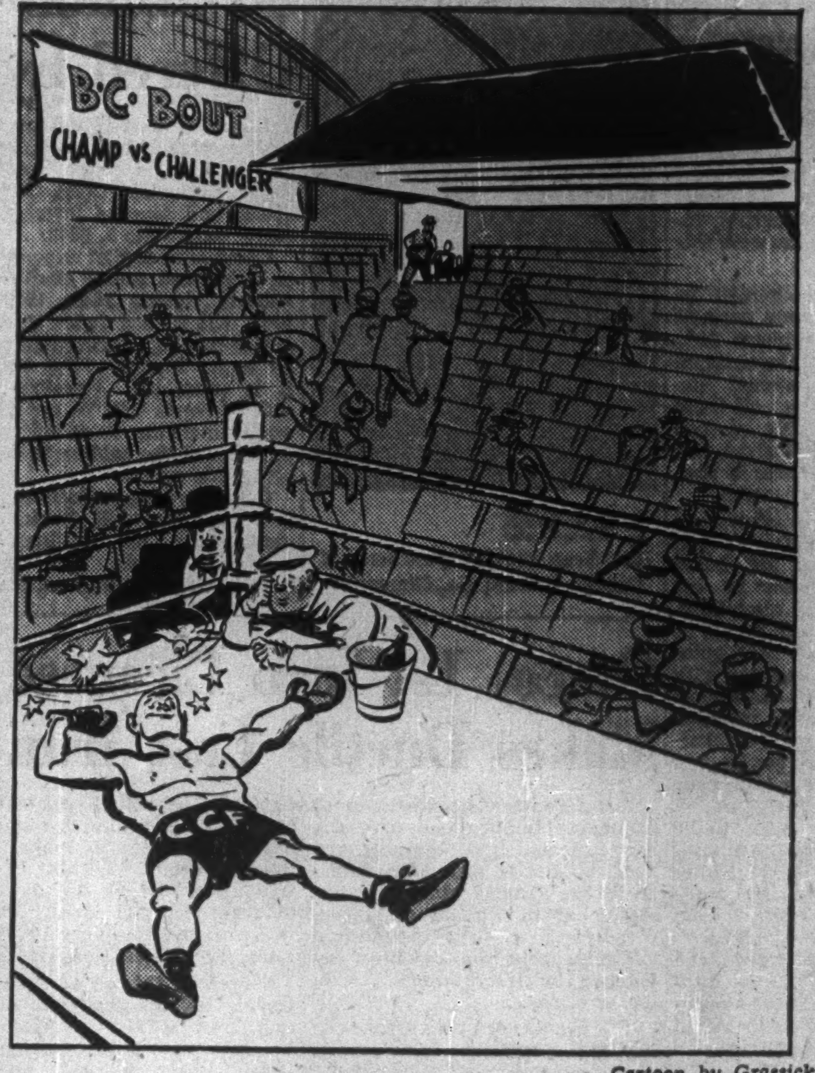
Listener: Yes. From the word audio, hear, and taurus, bull. A place where you . . .

Lecturer (interrupting): That will do!

* * *

Diner (reading menu): Lucifer cake—never heard of it. What is it, Miss?

Waitress (confidentially): Well, it was supposed to be angel cake, sir, but it fell.



Cartoon by Grassick.

WHAT ABOUT THE NEXT BOUT?

Post Scripts

CSL General Manager

MR. REOCH

Nottawa, Ont., is a tiny village close by Collingwood on the Georgian Bay. It is the kind of place that motorists whizz through then look back to see where they have been. One of its claims to a place in Canadian business is that it is the home of Norman Reoch general manager of Canada Steamship Lines.

In Nottawa everyone knows the Reoch's — they are the sailors. For three generations at least one member of the family has taken to the lakes or the seas in ships. When Norman Reoch finished school, he signed on his first ship —at age 17. Some might have started sailing at an earlier age but few have been able to whip through high school before doing it.

Reoch made sailing into a year-round job. Instead of taking a holiday in the winter months when lake shipping was closed he worked on ocean freighters as quartermaster and boatswain. He says he hasn't shipped to every country—has missed about three or four.

Capt. Reoch would make a fine prototype for the typical ship's master. His ruddy complexion and solid appearance are in the best quarter-deck fashion. Also his big (6 ft.) heavy-set frame dwarfs the average individual.

* * *

Intelligence Military & Legal

Geraldine Robinson of St. Thomas, Ont., was the third woman lawyer in Canada and the British Empire.

MR. WRIGHT

She married Ward Wright, K.C., and in 1910 there was born to them the first "completely legal" child to be born in Canada. They named him Peter and this year he follows his father's footsteps in becoming president of the Canadian Club of Toronto.

Naturally Peter Wright is a lawyer. He was educated at Rosedale Public School and University of Toronto Schools, and by the time he matriculated it had already occurred to him, he says, that there were other places in the world besides Toronto. He resolved that he would break away from his home town and go to college somewhere else. He decided on a small university a long way away, and eventually picked St. Andrews, Scotland. Then came the job of persuading his father. Just to make sure there was no difficulty, Peter Wright waited till he was rowing his father in a small boat across Lake Temiskaming from their country cottage to catch a train. The lake was particularly rough that day. He stopped the boat in the middle of the lake and refused to go on rowing until he had permission to go to St. Andrews.

He graduated M. A. in 1931 and admits that he played a little golf. But his first game was his best, and by the time he came back to Canada he knew he was no golfer.

After graduating from Osgoode Hall where he won the Nesbitt essay prizes two years running, he served as junior with the Hon. N. W. Rowell, and was engaged in important litigation before the Supreme Court and the Privy Council.

In Sept., 1939, Wright joined up with the Royal Regiment of Canada. After serving as platoon officer, he was switched to staff work, took courses at the Staff College, Camberley, served at Dieppe and became later Senior Intelligence Officer at Headquarters of the First Canadian Army. In this capacity he served with the Canadian Army in Normandy, France, Belgium, Holland and Germany. When he was discharged in 1946, he held the rank of Colonel.

His first civilian job was as Alternate Executive Director at the International Bank for Reconstruction and Development in Washington. Now he's back in Toronto, practising law, helping with the Community Centre at Wood Green (which he did a great deal to get started). He contested a Toronto riding for the Liberals in the provincial elections of 1948. But you will not find him on the golf course. St. Andrews cured him of that.

* * *

Making Confederation Work

A youthful (31 years old) Bachelor of Commerce from Vancouver who has been in Newfoundland for just over a year knows more about the province's trade and commerce than do many Newfoundlanders who have lived there all their lives. He is Bob Campbell Smith, Newfoundland Representative, Dept. of Trade and Commerce.

MR. SMITH

It was chiefly through Campbell Smith's efforts that the changeover from oldest colony to newest province was as smooth as it was from the business standpoint. Moving in as Canada's Commercial Secretary in Newfoundland just before the first of the two referenda last year, he was directly responsible for seeing to it that the changeover from Newfoundland's to Canada's business setup went without major hitches.

Bob Campbell Smith was always easily accessible to Newfoundland businessmen with difficulties about new excise taxes, problems of secondary manufacturing industries or new sources of supply. And all the problems were ironed out. If Campbell Smith did not have the answer at his finger tips, a rush teletype to Ottawa usually produced it within 24 hours.

A five feet, ten incher, weighing 165 lb., Campbell Smith began his business career on a survey of potential new industry in B. C. with a Vancouver advertising firm. He went on to study law, but only stayed long enough to take his first year examinations before volunteering for service in the Wavy Navy (RCNVR) as a sub-lieutenant. He paid his first visit to St. John's on destroyers, and then went to the United Kingdom in MTBs.

He was discharged in August, 1945, with two wounds, a Mention in Dispatches, and a wife. He met Paule Carion in Ghent, Belgium, just after D-Day, and they were married in Ostend. They have one son—Struan—now three years old.

Shortly after his return to Canada, Campbell Smith joined the Dept. of Trade and Commerce as an Assistant Trade Commissioner in Ottawa. Then in March, 1946, he was sent to Egypt as Acting Trade Commissioner for the entire Middle East region. He came to Newfoundland as Commercial Secretary, Office of the High Commissioner for Canada, in May, 1948.

He still maintains contact with some of his old friends by attending bull sessions at the St. John's Ex-Officers Club, and he is re-enlisting in the Royal Canadian Navy Reserve (Active) at St. John's.

What Others Are Saying

Editorial of the Week

Body Blow to CCF

Edmonton Journal

The British Columbia coalition government's return to power by an overwhelming majority is not only a highly reassuring vote of confidence in the democratic free enterprise system, but an equally hard blow for the proponents of socialism, pink or red.

Next to Saskatchewan, the CCF party has regarded British Columbia as favorable fighting ground. Last week's vote can be described only as a body blow to it.

Since the party made a partial comeback in the Ontario provincial election just over a year ago, it has had nothing to encourage it. It lost ground in the Saskatchewan election last June, was given a drubbing in Alberta last August, and has been pushed around in the two provincial elections this year in which it put up a real fight, Nova Scotia and British Columbia.

Other People's Views

WHO SHALL WE CHASE with the new jet fighters, asks the **Winnipeg Tribune**? "Of the latest jet fighter plane it is said it would 'make the angels gasp.' Is it angels we would be after?"

BAD TEMPER, states the **Windsor Daily Star**, always undermines judgment. "Professor Karl Bernhardt, University of Toronto psychologist, claims a motorman or bus driver who is in bad humor is a potential danger to the passengers he transports. Which is one instance of psychology and common sense agreeing."

BATTLE OF THE LEADERS is the way the **Ottawa Journal** describes the coming election. "There are issues, of course. But no one seems to be expounding them except the Drews and the St. Laurents; and no one else appears to be getting any headlines, or getting their pictures in the papers, or making any phrases that anybody remembers."

POLITICS IS A RUGGED taskmaster but with 851 candidates offering themselves for election, the voters have enough chance for a satisfactory choice, in the opinion of the **Ottawa Citizen**. "As long as there is competition on this scale for the right to enter Parliament, as long as there is a substantial surplus of candidates, there is no reason to worry about the decline of the parliamentary system."

CHECKING GOVERNMENT WASTE is a subject which concerns the **Winnipeg Tribune**. "More and more frequently reference is made to 'uncontrollable expenditures' of the Dominion Government. If Parliament would take the necessary steps to bring public accounting methods and examination of departmental estimates up to date, many of the so-called 'uncontrollable expenditures' might be found to be quite controllable after all."

PRICES ARE TOO HIGH as well as tariffs, points out the **Vancouver News-Herald**. "British goods are priced too high for our market. Canadian goods are priced too high for the British market. It will help a lot if producers in both countries will cut their costs and reduce prices. It will help a lot if employers and employees in all industrial enterprises will co-operate in adapting their operations to the unmistakeable necessity of reducing costs and prices as a means of increasing consumer demand."

CHARGES AGAINST MR. SMALLWOOD of violating the Dominion Election Act serve a useful purpose, says the **Montreal Daily Star**. "Too often the Act is not respected, as voters are well aware in this city. It is full of safeguards for the voter and the democratic process. These are seldom invoked and, when invoked, as we know here in connection with electoral corruption charges, are rarely carried through the courts. The general attitude, once the heat of elections dies down, is one of forgive and forget. This is understandable. It is human. But pursued too far it brings the law into disrepute."

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June 18, 1949

Ups and Downs in Food Processing

How Federal Budgets and Big Crops Affect the Industry

By W. L. DACK

For the first time since war end, the rising production tempo of Canadian food processors has been halted. Many food items had a sharp drop in the first quarter of the current year, with only a few able to push on to new production heights.

In nine cases out of 10, the production down-turn was the result of special situations and more cautious policy on inventories and did not reflect any important curtailment in consumer buying. (Sales of grocery and combination stores in Canada jumped 7.3% in the first quarter of the year, according to DBS). With many primary food items in plentiful supply last year, processors went all out in chalking up record production levels.

As a result, manufacturers, wholesalers, and to a lesser extent retailers, entered 1949 with substantial inventories. The heavy carry-over has been further accentuated by cautious buying on the part of retailers in anticipation of declining prices. Against this background processors have preferred paring production schedules and clearing out inventory as indicated in following survey by The Financial Post:

Biscuits (Soda): Reached an all-time production height in first quarter of this year at 13.3 million lb. up 7.7% from corresponding quarter of last year. March was probably the biggest production month in history. Canadians are now eating at least three times as many "crackers" as prewar and as yet there is no sign of abatement in rising demand, manufacturers say.

Biscuits (Plain and Fancy): Production off 4.3% in the first quarter. Variable production pattern shown here with some manufacturers reporting still rising demand while others have pared production somewhat in line with somewhat slower buying from retail level. Increasing supplies of fancy baked goods and candies may now be topping off fancy biscuits demand.

Chewing Gum: Production was down 35.7% in the first quarter because of a special situation. Jobbers and retail buyers were holding off in anticipation of budget removal of 30% excise tax on gum. Gum processors cut production down sharply in this period in line with reduced demand but are now going all-out again and second quarter of this year has likely been a record one. Canadians are currently chewing gum at the rate of about one box (20 packages of five sticks each) per person a year. This represents a per capita increase of "chomping" of around 30% from prewar. We are still lagging behind the U.S. where per capita consumption is around 30 packages a year. There is a slight seasonal trend in gum sales with demand falling off slightly during winter months.

Chocolate (Bars): Production down 23.8% for the first quarter. Combination of record output in last quarter of 1948 (18.7 million dozens) which saw the trade enter 1949 with a heavy carry-over, plus sharp curtailment in buying at retail level for about two months prior to budget caused a sharp curtailment in production. Deliveries from manufacturers practically ceased altogether for several weeks and employees in some chocolate plants were laid off and several factories went down to three-day weeks. It is estimated that bar sales fell some 50% in the first quarter. Sales, however, picked up right after the budget announcement (removal of excise tax) and are rolling along now about double prewar rate. There is some evidence, however, of consumer resistance and most sales are being made in "name" bars. Chocolate bars have always been associated in people's minds with a nickel product and the nuisance value of the two extra cents is said to be curtailing sales considerably. There is some possibility that another cent might be chopped off retail price of bars this year when manufacturers have pared inventory of high price cocoa beans and chocolate coating and are able to replace these raw materials with lower priced goods. This situation will probably be hastened by removal last week of allocations of raw cocoa by The International Food Emergency Fund Committee. Importers can now buy where and when they like. Processors, however, do not see return of the nickel chocolate bar for some time and without some still substantial reduction in practically all manufacturing costs.

Chocolate (Confectionery in bulk): First quarter production off 7.1%. Generally the same situation applied here as in bars. The December quarter of 1948 showed a sharp rise and indicated some carry-over into 1949. The normal buying pattern was interrupted by anticipation of the budget removal of the excise tax. The 10c-a-box cut in pound boxes of chocolates is helping to hold sales up but abnormally warm weather in second quarter has been an adverse factor. Chocolate sales generally ease off somewhat in warm weather months. Manufacturers can't see any further price cuts until price of chocolate coating drops, say to 30c per lb. (some grades around 40c now).

Cereals (Ready-To-Serve): Production up 40% in first quarter of this year partly as a result of an unusually mild winter. A large proportion of cereal eaters swing to hot cereals in midwinter months. The swing was not nearly so pronounced this winter. At the same time demand and production of hot cereals was off. At the moment considerable concern is being felt by processors over fate of Ontario winter wheat, widely used in several breakfast cereals.

Jams, Marmalade and Jellies: One of the biggest production drops occurred here. Retailers claim, however, that there is still no indication that the Canadian housewife is doing more of her own preserving. Sales have held up well at retail level in all three lines. Processors over-produced in the heavy 1948 crop year and a number of new small processors entered the production picture. As a result the trade went into 1949 with a sizeable carry-over which has been further accentuated by hand-to-mouth buying pattern of retailers and substantial drop in export business. The price-cutting tactics of several producers saddled with heavy inventories further disrupted the trade. Against this background production was sharply curtailed and inventory cleared.

With the strawberry crop a failure this year in parts of Southern Ontario and prices higher, it is doubtful whether the housewife will do nearly as much preserving as usual. It is anticipated that she will have to purchase a greater proportion of her requirements. British Columbia, however, is reported to have a good strawberry crop this year and Ontario and Quebec jammakers will likely bring in substantial shipments from that province. Production of jam at 3.58 million lb. was off 35% from the corresponding quarter of last year, jelly production was down 32.6% and marmalade production 51.3%.

Canned Soups: Processing trend again upward after falling below the 1946 and 1947 peak. Overproduction of tomato soups in last year's huge tomato crop posed a large inventory problem. Greater availability of such items as tomato and fruit juices, spaghetti and beans have also cut into the soup market somewhat.

Baked Beans (including pork and beans): Production off 39.4% in first quarter of year. Heavy production last summer when a good bean crop occurred and a number of new canners entered the field saw the trade entering 1949 with substantial carry-over. Increasing availability of canned meats has also affected this product somewhat. Generally speaking, the downward trend in production does not denote any important lessening in demand.

Tomato Juice: This is one of the worst over-supply items on the market. Big crop last year resulted in huge juice pack. Now many producers are trying various selling schemes to clear supplies before new season comes in. Demand in Toronto area has skyrocketed during current heat wave and this coupled with reduced tomato acreage this year and inadequate supply of citrus juices should help bring demand-supply restriction into closer balance.

Tomato Ketchup: Production dropped from 1,266,667 lb. in the first quarter of last year to only 90,104 in the first quarter of this year. The same reason holds here as for tomato juice. Not as heavy an over-supply problem, however.

Canned meats: Production off 53.8%, mainly as result of cautious policy on inventories and substantial drop in the export market. Sales at the retail level are off only moderately. Among meats only roast pork and ham had production gains and spiced pork and ham, beef stew and boiled dinners, corned beef and meat paste continued last year's downward trend. Meat paste, for instance, produced almost exclusively for export; dropped, from 3.8 million lbs. in first quarter of 1948 to 706,000 lbs. in same quarter this year.

THE ADVERTISING BUSINESS

National Advertisers Spend $13 Millions On Radio Ads

By WALLACE GILLESPIE

Filling in a vacuum in available advertising statistics, Canadian Association of Broadcasters came up last week with an estimate that national advertisers are currently spending around $13 millions a year on Canadian radio—this figure intended to include cost of station time, talent costs, transmission line costs.

But what chagrined the association most at its convention at St. Andrews-by-the-Sea, N.B., was that the figure includes a slice for the government-operated CBC.

Planning its presentation to the recently appointed Royal Commission on Arts and to Parliamentary radio committee, the "independent" station operators decided to press for a ruling that the CBC confine its activities to its original purpose of noncommercial public service broadcasting.

Association briefs will also ask, as they have done before, that a separate radio licensing and regulatory body be set up, apart from the CBC, and that there should be a broad right of appeal from the rulings of such a body.

A. F. P. Freeman, the association's director of sales and station service, was supported in his "stand firm" policy against what he terms "free time chiselling."

This policy, he explained, did not recommend that association members be any less generous towards requests for assistance from the big national charities. Rather it is aimed at the charitable appeal which (a) has a certain budget of its own to spend for advertising, and (b) is also appealing to media for further contributed support. In such cases, CAB policy will be that a "fair portion" of the budget should go into radio before additional free time is granted.

T. J. Allard, general manager of the association, reported that a proposal to increase federal transmitter fees to a point which would have cost the industry an additional $400,000 a year had been forestalled by negotiation during the past year.

Carl Haverlin and Robert Burton of Broadcast Music Inc., New York, told the convention that in the past 18 months 2,000 Canadian compositions had been distributed by BMI (Canada); that 35 Canadian composers are now under contract.

New Officers

Newly elected chairman of CAB's board of directors is William Guild of radio station CJOC, Lethbridge. He succeeds G. R. A. Rice of CFRN, Edmonton.

New members of the board include E. F. MacDonald, CJCH, Halifax; Dr. Charles Houde, CHNC, New Carlyle, Que.; Edward Rawlinson, of CKBI, Prince Albert, J. O. Blick of CJOB, Winnipeg, and a B. C. director to be elected. Hamilton was selected as site of the next convention.

Simultaneous with the CAB convention was the fifth annual meeting of the Bureau of Broadcast Measurement. Highlight here was an announcement by L. E. Phenner, president, that the fourth BBM national survey, to be conducted next year, will yield more detailed information about listening habits than its predecessors.

Previous surveys have shown advertisers only the amount of "once-or-more" a week listening. The 1950 survey will report listening six to seven times per week, three to five times per week, and one to two times per week.

Breakdown of listening habits in this manner, Mr. Phenner said, will show more clearly the actual position of the smaller station without detracting from the record of the larger station.

Inclusion of Newfoundland in the 1950 survey and an enlargement of the survey sample to keep pace with the increase in radio homes were approved. One hundred and one stations, or 79% of potential membership, are now listed as BBM subscribers.

Dominion Stores Sales, Profits Up

Business of Dominion Stores Ltd. in the current fiscal year is better than last year, both as to sales and profits, President J. William Horsey told shareholders at the annual meeting.

The company's development program is proceeding and several building sites have been acquired on which new stores are being built. These new stores as well as current advertising programs will have a definite effect on the company's business this year, it was said.

Business trends in Canada follow those of the United States, the president stated, and reports indicate no sharp recession in the food business is expected this year in the U.S.

Hang More Canvas These Days But It's on Homes, Not Ships

More houses are wearing awnings these days.

They are making their appearance on the smaller-type modern home; prewar they were seen only on the more spacious type of property.

Worn awnings which could not be discarded during the years when the canvas industry went to war are now being replaced.

These factors explain the boom which is now taking place in the home awning business—a boom which would be more welcome by the industry if someone could devise a way of ironing out the seasonal peaks.

The seasonal peak is occurring right now, and one Toronto awning maker says "it's driving us silly."

Workmen installing awnings on a dwelling are most likely to be visited by neighbors who ask them to "come on over and measure up our house." In almost all cases, the neighbors will be told that, by placing their order in the ordinary way, they can expect awnings by mid-summer at the soonest, probably later.

Then, the industry reports with a sigh of resignation, the neighbors probably won't turn up with an order for late-summer delivery. They will wait until the onset of next year's warm season reminds them of the need. Another seasonal rush will be on.

While the industry is not overtaxed on a yearly basis, it's getting to be a question whether it can handle the expanded home awning trade on the present "two or three months a year" basis, one manufacturer explained.

Another says orders are running about 75% ahead of last year, "and we can't take any more for delivery before mid-summer. Practically all our business is on new homes."

"We're thinking of offering a winter discount to encourage people to order their awnings at other times of the year on the theory that late this year is early next," reported another.

To what extent the seasonal boom in home awnings is nudging production in the canvas industries up the peaks set in the mid-war years is not yet known. Dominion Bureau of Statistics report for 1947 released recently shows, awnings (all kinds) accounting for only $1,422,186 that year, out of a total industry production of $7,552,399. The latter figure shows some recovery from 1946's production of $7,090,385. The wartime peak came in 1943, with $11,033,694 production.

There were 96 establishments in Canada in 1947 whose principal products were awnings, tents, sails, bags, waterproof covers, etc. These gave employment to 1,392 persons (781 male and 611 female); paid $2,142,049 in wages and salaries; and expended $4,723,190 for materials.

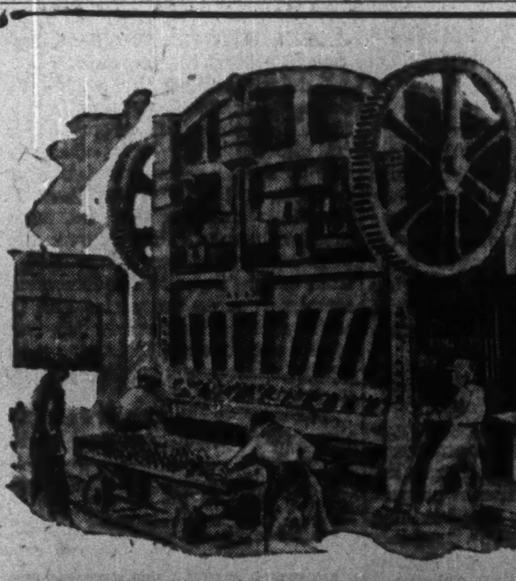
Ontario's 47 establishments accounted for 45.3% of the employees, and 44.1% of the gross value of production. Twenty-two establishments in Quebec reported 31.2% of the employment, and 32.4% of the gross value of output. The remainder of the establishments were located as follows: Nova Scotia, 4; New Brunswick, 1; Manitoba, 4; Saskatchewan, 3; Alberta, 6; and British Columbia, 9.

Government
and
Corporation
Securities

Enquiries Invited

A. E. Ames & Co.
Limited
Business Established 1889

TORONTO MONTREAL WINNIPEG VANCOUVER
VICTORIA NEW YORK LONDON, ENG.



Specialists in the building of railroad rolling stock

National Steel Car Corporation has been privileged to play a large part in many important developments in the design and construction of railroad rolling stock, and now its wide experience, advanced mechanical equipment and plant facilities, engineering and structural skill, its extensive production capacity and skilled workmen—enable it to offer much to the buyer of railroad equipment.

The opportunity is always welcomed of placing definite recommendations, estimates and specifications before those interested in modern steel rolling stock and allied products.

NATIONAL STEEL CAR
HEAD OFFICE: HAMILTON, ONTARIO Corporation Limited SALES OFFICE: MONTREAL, QUEBEC
BUILDERS OF TRANSPORT FOR CANADA

Greenshields & Co Inc

Investment Dealers

507 Place d'Armes
Montreal

OTTAWA QUEBEC SHERBROOKE TORONTO

Greenshields & Co

Members Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes
Montreal

OTTAWA QUEBEC SHERBROOKE

CORNERSTONES OF CANADIAN INDUSTRY...

CANADA'S PIONEER WHEAT DEVELOPMENT . . . *As long ago as 1842, David Fife, an Ontario farmer, began experiments to breed wheat particularly suited to Canada. Years later, the variety that resulted from his work. Red Fife, was crossed with Hard Red Calcutta by the Doctors Saunders to produce Marquis Wheat, an exceptionally hardy, early-ripening grain that was to establish the Canadian prairies as the great world source for wheat.*

At experimental farms across Canada, horticulturists like the Saunders continue their invaluable programme of agricultural research. From their efforts come new methods, new means for the improvement of Canadian crops and livestock. ◇ At Dow, research men and technicians are engaged in similar programmes with the same objectives in mind. From Dow laboratories come a host of chemical products for the betterment of Canadian agriculture. The increased crop and livestock productivity which they achieve means better living for Canadians at home and greater revenues from world trade for Canada.

DOW CHEMICAL OF CANADA, LIMITED
204 RICHMOND STREET WEST TORONTO 1, CANADA

DOW CANADA

Would 'Slowdown' Be Healthy?

The Question: Some people say a measure of temporary slowdown in business could have a salutary effect on the general economy. What is your opinion?

A slowdown in business would be a healthy thing in so far as it makes for more selective buying and eliminates the inefficient producer, most replies to The Financial Post question asserted. Others pointed out the danger that it might lead to widespread unemployment and believed that increased business activity was the desirable thing.

J. J. FITZGIBBONS, President, Canadian Famous Players Corp. Ltd., Toronto.

A temporary slowdown in business can be beneficial for the long haul viewpoint by putting the brakes on needless capital investments for buildings and goods of poor quality that were acceptable in the buyers' market. In a temporary slowdown, competition by the producer, distributor and laborer will produce goods and services of quality, style, design and practicability that when properly merchandized will have first call from buyers who have become more selective in their choice and more careful of their expenditures, whether this be for creature comforts, services or entertainment.

* * *

R. S. MILLIKEN, Export Manager, Ford Motor Co., of Canada, Windsor.

The world's business is good when its consumption closely approximates its productive capacity. At no time has the world's appetite for goods been fully satisfied. To say that any temporary slowdown in production is necessary is an admission that our system of world distribution and settlement of trade balances is faulty, or that the prices of our goods are beyond the means of those who want them.

World trade or business boils down to an exchange of goods and services and so long as our community of nations finds it impossible to effect such exchange reasonably free of restrictions, economic barriers and throttling tax imposts, we may expect spasms of curtailed trade, surpluses of production, manpower and all attendant dislocations.

* * *

WILLIAM MITCHELL, President, Circle Bar Knitting Co., Kincardine.

The reduction of employment of quite a large field of Canadian industry caused by saturation of some capital and consumer goods, inferior crop conditions in some sections and excessive imports is lowering the tempo of Canadian business. Also, a lot of people feel today that prices are going to be lower and are buying only current needs.

Some articles and service charges are out of line and it appears necessary to have an adjustment in prices of raw materials, cost of production and at retail so as to encourage the public to have confidence that a stable level of prices and values for everything from potatoes to homes has been reached. If the federal government would abolish all controls we could work into stability without disaster. We do not well remember this is 1949.

* * *

MARK NAPIER, Vice-president and Managing Director, J. Walter Thompson Company Ltd., Toronto.

A temporary slowdown in business could conceivably produce widespread unemployment with repercussions on purchasing power which could convert the slowdown into a depression. On the other hand, I would greet with enthusiasm determination on the part of the public to refuse shoddy merchandise and insist on value.

Long-term cycles apart, the immediate cause of inflation was greedy determination of people to buy at any price. An outstanding example is the black market in cars. Reversal of the trend presents a challenge to business which, met by good products properly priced and merchandized, could have the effect of stabilizing the economy at present satisfactory level.

* * *

M. J. O'BRIEN, President, O'Brien Advertising Ltd., Vancouver.

The present slowdown is the inevitable operation of economic forces and if allowed to run its course without government interference will have a salutary effect on business. Canada has been running on artificial stimulants such as subsidies, loans to Britain, Marshall Plan aid, etc., and must face realities and go to work. Slowdown would be beneficial in restoring a curb to government extravagance and inefficient labor practices. Competition for orders by business firms and for jobs by individuals would be healthy exercise and would put the country back on its toes.

JAMES A. ROBERTS, President, Mercury Mills Ltd., Hamilton.

Full employment and full production of all Canadian plants and equipment is impossible when total production is obviously beyond absorptive capacity of the country's economy. I believe that the present business slowdown is not unhealthy.

For the last few years shortages of capital and consumer goods have held an umbrella over the inefficient producer which has been a contributing factor to a higher cost of living. Our appetites will not again experience the rich fare of the last few years until a solution is found to the complex problem of exchange convertibility, but I cannot agree that what you call a temporary slowdown in business would have a salutary effect on the Canadian economy. Most prudent business firms have discounted present conditions and prepared themselves for them. On the whole, no country's economy is more challenging than Canada's.

* * *

G. L. STEWART, President, Imperial Oil Ltd., Toronto.

I do not believe that a slowing down of business activity is desirable at this time or any other time. It is in the interest of everyone to keep business as active as possible and fully competitive. It has been obvious that the high level of business activity over the past few years has led to situations where demand has exceeded supply in some industries and in some areas. The remedy for this is not a slowdown of business as a whole but a quickening of pace in the field affected.

In our own industry the transition from shortages in fuel oil to the present condition of ample supply is an example. This transition has been effected through the normal play of competitive forces. It has been accomplished by increased activity—not by a slowdown.

* * *

J. K. THOMAS, Editor, National Home Monthly, Toronto.

To praise the salutary effect of temporary slowdown in business is to make a virtue out of a fact. Business slowdown should make for lower prices, and increased efficiency in each phase of business operations. With the return of keen competition for the dollar, sales organizations would step up speed, wage costs should stop rising, and the cost of living should drop considerably. Competition might give business a breather in order to plan fresh markets and merchandising plans.

* * *

EDWARD C. WOOD, Executive vice-president, Imperial Tobacco Co., of Canada Ltd., Montreal.

Individual businesses are constantly facing temporary setbacks as a result of the natural and healthy competitive profit and loss system, but temporary slowdown in all business is quite another matter.

Lower costs should mean lower prices but lower costs are not as a rule the result of a slackening in business. If, in the opinion of a prospective purchaser, the price of a specific commodity is considered high in relation to other commodities he will defer the purchase at least temporarily and if this has the effect of correcting the price, then that would have a salutary effect on the general economy.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED FUEL INVESTMENTS LTD. net profit of $879,636 for fiscal year ended March 31, 1949, was up 73% from previous year's net of $508,815. Gross revenue from sales was up 8%.

Gross revenue from sales of coke produced by the company increased $419,043 or 10.6% due to an increase of $2.28 or 16.8% in the average selling price per ton although volume of sales was reduced by 15,336 tons or 5.3%. This was offset by a decrease of $456,531 in gross revenue from sales of coke purchased from other producers for resale as its volume of sale was reduced by 45,518 tons. Due to decreased demands for coke and the gradual elimination of the shortage of supply of this fuel, requirements can now be met almost entirely by production from the company's ovens, President D. P. Rogers states.

Gross revenue from gas sales of $2,791,744 was up 25.4%, attributable to a substantial increase in volume of gas sold and higher average rate received. During May and June, 1948, revised schedules of rates for gas sold were put in effect.

There was a net increase in cost of products sold, due largely to further increases in costs, principally of coal and labor.

Due to a deduction in the market price of coal used for coking purposes late in the fiscal year, and in petroleum products used in manufacture of auxiliary gases, it was necessary to reduce inventory value of raw materials on hand at March 31, 1949, by $299,339 to bring them to the lower of cost or market.

Property account additions and replacements amounted to $191,939 of which $64,390 was for construction of additional boiler capacity for the production of steam and $127,549 was for other extensions to or replacements of existing plant facilities.

Before the war, the company sold its production of coke for use almost entirely in the domestic market, but during the war it was ordered to sell practically its entire output for industrial consumption in the manufacture of war munitions. Until late in the fiscal year industry continued to take a very large portion of the coke production, but recently, due to the gradual elimination of the shortages in practically all types of fuel, there have been indications that there will be marked reductions in the demand for coke by industry, Mr. Rogers states. It will, therefore, be necessary to look to the domestic coke market to absorb the bulk of production.

It now appears that gross revenue will be reduced this year, as the highly competitive market has already made necessary lower unit selling prices of certain products, Mr. Rogers states.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Gr. rev. from sales	$7,962,747	$7,371,168
Net oper. profit	1,750,741	1,406,166
Less: Depreciation	251,126	239,990
Bond interest	153,103	158,185
Income tax res.	457,000	489,300
Bond & loan exp.	9,876	9,876
Net profit	879,636	508,815
Less: Cl. A divs.	270,000	270,000
Surplus for year	609,636	238,815
Times Bond Interest Earned:		
Before depr. & amort.	$11.44	$8.89
After depr. & amort.	9.79	7.37
Earnings per Share and Dividend Record:		
Class A	$9.77	$5.65
Paid	3.00	3.00
Cl. B & Common	3.82	1.50
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1949	1948
Cash, Dom. bds., etc.	$ 390,489	$ 360,783
Accts. rec.	762,315	842,409
Inventories	1,818,692	1,391,835
Total curr. assets	2,971,496	2,595,027
Misc. assets▲	608,562	566,597
Fixed assets*	10,435,309	10,508,472
Total assets	14,015,367	13,670,096
Taxes	429,818	432,757
Accts., etc., pay.	649,744	710,170
Bonds due or called	200,000	200,000
Total curr. liabs.	1,279,562	1,343,927
Conting. res.	100,000	100,000
Funded debt.	3,700,000	3,900,000
Exchange res.	120,000	120,000
Capital stock	6,292,225	6,292,225
Capital surplus	417,220	417,220
Earned surplus	2,106,360	1,496,724
*After depr. of	5,442,451	5,442,584
▲Incl. ref. EPT	30,632	32,043

*Incl. $4,079,955 prems. pd. for subsidies.

Working Capital	1,691,934	1,251,100

BAY-ADELAIDE GARAGE LTD. net profit was $5,805 for its fiscal year ended Feb. 28, 1949, up about 43% from the previous year's $4,068.

The garage has in excess of 400 monthly tenants and the different service departments are kept busy, President J. F. M. Stewart states.

INCOME ACCOUNT

Year ended Feb. 28-29:	1949	1948
Net oper. profit	$ 29,179	$ 32,608
Less: Int. on 1st mtge. bonds	12,998	19,774
Int. on 2nd mtge. bonds	968	2,334
Depreciation	6,458	6,432
Taxes	2,950	......
Net prof. & surp. for year	5,805	4,068
Times Bond Interest Earned:		
■Before deprec.	2.09	1.47
After deprec.	1.63	1.18

CONDENSED BALANCE SHEET

As at Feb. 28-29:	1949	1948
Cash	$ 25,711	$ 22,662
Accts. rec.	11,190	9,718
Investments	750	620
Inventories	8,662	7,040
Total curr. assets	46,313	40,040
Prepaid exp.§	1,516	2,923
S. F. balance	33	......
Fixed assets▲	322,251	328,446
Deficit	*801	386,626
Total assets	370,914	758,035
Accts., tax, pay.	12,642	10,537
Bond int.	2,288	265,048
Total curr. liabs.	14,930	275,585
Funded debt	345,100	360,700
Capital stock	10,884	121,750
▲After depr. of	195,295	188,837

§Incl. in curr. assets in co's. report.

*After giving effect to reorganization.

Working capital	31,383	■235,545

■Excess of curr. liabs. over curr. assets.

SILANCO MINING & REFINING CO. reports under agreement of June 3 with Torny Financial Corp., 375,000 shares have been underwritten as follows: 100,000 shares at 25c a share, payable forthwith; 100,000 at 25c a share, payable by July 8; 100,000 shares at 27c a share Aug. 8; 75,000 shares at 27c a share by Dec. 8. Upon issue of first block of 100,000 shares, issued capital will be 3,700,000 shares, leaving 300,000 in treasury.

DEXTER RED LAKE GOLD MINES reports the financing agreement with Dome Exploration Co. (Quebec) was amended on May 31 to provide for an underwriting of 125,000 shares at 20c a share and the granting of an option on 1,124,995 shares at 20c to 30c a share. Upon issue of underwritten shares, issued capital will be 1,875,005 shares, leaving 1,124,995 in treasury. Previous options outstanding had started at 30c a share.

IT'S NEW!

The New
Fully Automatic
IBM
Attendance Recorder

For more than 40 years the IBM Engineering Department has been engaged in the development and refinement of products so necessary to meet the demands of efficient and practical business administration. The new and improved IBM Attendance Recorder is but one of the many advancements which have marked the progress of IBM in the manufacturing of the most essential and modern types of Business Machines it is scientifically possible to produce.

IBM

TIME RECORDERS AND ELECTRIC TIME SYSTEMS
Proof Machines • Electric Punched Card Accounting Machines
and Service Bureau Facilities • Electric Typewriters

INTERNATIONAL BUSINESS MACHINES COMPANY LIMITED — HEAD OFFICE: 36 KING STREET EAST, TORONTO
Branch Offices in all Principal Cities

You'll be going to University, son–
I've seen to that!

UNIVERSITY

"My youngster is going to University." How often have you made this statement? How sure are you of the financial ability to carry it out?

You can make certain of the means necessary to give your child the advantage of a good education. Investors Syndicate of Canada Limited offer a plan that many thousands of Canadian parents have found to be a practical and attractive method of accumulating the money that will send their children to University.

The amount required for this purpose will be available when needed by putting time and the power of compound interest to work for you.

Our representative will be glad to show you how to accumulate $1,500, $2,000, $3,000 or more in six, ten, fifteen years or longer.

"My youngster is going to University." You can make sure that this is not just wishful thinking, but a planned and practical statement of fact. See a representative of Investors Syndicate today.

SEE YOUR INVESTORS SYNDICATE REPRESENTATIVE

INVESTORS SYNDICATE
OF CANADA LIMITED

Head Office - Winnipeg, Offices in Principal Cities

LIVING PROTECTION ... Everyman's Road to Financial Security

IT'S A CHAMPION IN STYLE
AND LOW-COST MILEAGE!

Studebaker Champion 4-door sedan

Canada is buying Studebakers
because Canada knows value!

Studebaker's the '49 stand-out in solid money's worth

New Studebaker Champion 4-door sedans, 2-door sedans and Starlight coupes • New decorator-fabric upholstery • New body colors • Self-adjusting brakes • Variable ratio "extra-leverage" steering • Panoramic vision • Seats centered between the axles • Low center of gravity • Glare-proof "black light" instrument panel dials • Automatic overdrive, automatic hill holder, Climatizer heating and ventilating, white sidewall tires and wheel trim rings or discs optional at extra cost on all models.

JUST a look at the streets and highways and you know the new Studebaker is a top favorite car with discriminating Canadians.

Day after day, more and more new Studebakers wheel into the motoring picture—gas-saving, flight-streamed new Studebakers—the thrift stars and the style stars of all today's new cars!

Stop in and treat yourself to a close-up eyeful of a '49 Studebaker—it's far and away the most for your money in any new car.

MADE IN CANADA!
Studebaker Champions are built in Canada by Canadian workmen at Studebaker's modern plant in Hamilton, Ontario.

Studebaker Starlight coupe
Studebaker Champion convertible

SEE YOUR NEAREST STUDEBAKER DEALER

STUDEBAKER'S REALLY ROLLING! 1949 IS A STUDEBAKER YEAR!

Business Outlook Shows Strength at Mid-Year

Few Soft Spots In the Economy Seen In Survey By Post

Here's a Post industry-by-industry survey of business conditions for the first half of 1949, the outlook for the second half. It shows we're still enjoying buoyant conditions in most industries, little but adjustment to more competitive conditions is expected in the immediate future.

Labor

Despite the calamity howlers things looked pretty good on the labor front. Latest figures show total income up a healthy 11% over last year; average weekly earnings in nine leading industries up to a new high of $43.22 in March against $43.15 the month before.

Total labor income for the first quarter was put at $1,818 millions, $180 millions over the same period 1948. Somewhat higher levels of employment and considerably higher levels of average weekly earnings were given by DBS as reasons for the substantial increase.

Over the three-month period, average weekly earnings were 10% higher than last year while the index of employment in the nine key industries averaged only less than 1% higher.

Merchandising

Department stores were still chalking up record sales, making more money than ever before and there wasn't a sign of letup in this high level of business activity.

For each of the first four months of the year DBS had recorded department store sales up over the corresponding month of 1948. For April the increase was 15% over same month sales last year. For four weeks of May the average was 12% over the corresponding period of 1948.

Retail trade generally showed a 3.9% increase for the first quarter as compared with the first quarter of 1948, was considered showing same steady increase in second quarter.

In the tourist centres and the larger towns and cities, both vacation buying by residents and buying by tourists was as brisk as ever.

While the upward trend in merchandising activity this year looks to be more moderate than that recorded last year it can be expected that over-all physical volume of sales will be higher than in 1948.

At wholesale, dollar volume of sales for the first four months stood at 2.7% above those for the same period in 1948. At the same time, inventories in nine trades surveyed by DBS stood at 10% higher at the end of April than at the same date last year.

The first four months' gain in sales likely has not been maintained for the balance of the first half. Reports of current activity suggest that wholesale shipments are down on those of a year ago.

Construction

Figures for June construction awards—due in fortnight—could change the critical second quarter picture. Confessed optimists think they will. What trade sees is second quarter contract total of about $280 millions, down 20% from 1948 period; with new and rising doubts the year will much more than approach 1948's $954 millions despite a strong winter start (The Financial Post April 2). Housing remains rugged stayer, represents nearly half the total.

Commercial and factory construction continues relatively weak. All, however, bulk greatly larger than in any years between the late 1920's and 1947. There is no sign of bust. Most firms have all they can handle. But industry again scanning public works shelf.

Key materials—cement, nails, lumber, brick, bathtubs, pipe, gypsum products — generally in better supply now than in spring, 1948. Cost of construction seen at peak. Wage increases—this year scattered and small for the first time postwar—largely offset by increased productivity due variously to better flow of materials, lessened job turnover, absenteeism and strike time loss, and to greater average effort with gradual return of competition.

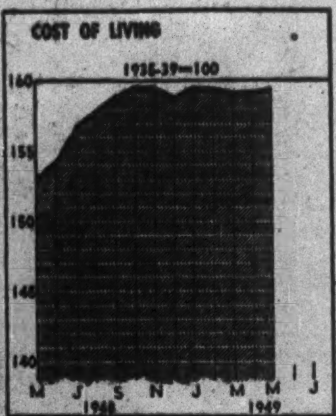
Steel

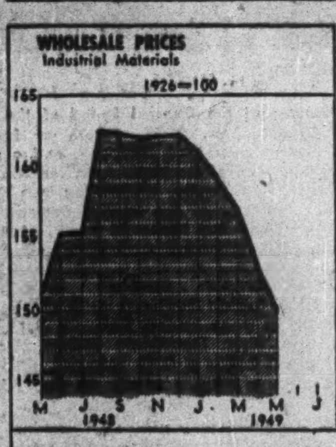
Contrasting sharply with conditions in United States, Canadian steel producers are booked solid through 1949 and could sell even more if they had it. Mills are operating at virtual capacity with no immediate break in sight. The recent Imperial Oil pipeline order started by Steel Co. of Canada will take up ~~to 6%-8%~~ of Stelco's capacity and about 10 months to fill.

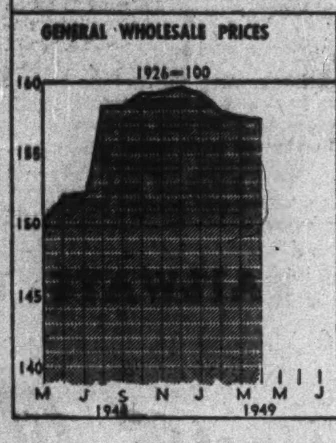
March production of primary steel shapes was a lusty 262,513 tons against 216,862 the month before. Ingot production was down 27,000 tons to 260,319 but up 6,000 over a year ago. First four months' production in 1949 was 1,073,200 tons, about 66,000 above 1949. At the same time imports amounted to roughly 300,000 tons from United States and 31,000 tons from elsewhere, mainly United Kingdom.

Agriculture

Areas and crops for which full yields must already be ruled out are localized and specific. Over a much wider area, however, the situation is "touchy" — that is, a prescribed set of weather conditions must now materialize if damage is to be avoided.







In the important Prairie provinces, where a guaranteed $1.75 price for wheat is encouraging maximum acreage, farmers went into seeding with less soil moisture than at any time in the past decade. They've had rain since, but want more. Mean temperatures have been running above normal. Good crop is possible, yet in some sections of Saskatchewan and Alberta rain must come soon to avoid deterioration. Meanwhile, community poison-spray methods appear to be holding a rein on the other hazard which worried western farmers this spring: grasshoppers.

Prolonged drought, accompanied by unseasonable extremes of temperature, has seriously reduced crop prospects in a wider area of Ontario. Late frosts had necessitated considerable replanting of tobacco, soybeans, corn and tomatoes.

Quebec weather conditions vary all the way from extremely dry in the western districts, especially around Montreal, to extremely wet in the area from Lake St. John to Gaspe and Baie de Chaleur. In the dry areas seeding was completed by mid-June, grains are in fairly good condition but rain is needed to promote further development and stimulate growth of hay and pastures. In wet areas seeding is only 60% to 90% complete and awaits drier conditions, but hay and pasture good.

Tree fruit prospects in Nova Scotia, except pears, are promising. Dry weather has prevailed in Prince Edward Island and Nova Scotia, but moisture supplies in New Brunswick are satisfactory. Cool weather retards grain, but hay and pasture, except in Annapolis valley, are making good growth.

Autos

In Canada and United States automobile sales continue to show the greatest resistance to softening demand. Last week's combined production of both countries was the greatest in history. Sales had never been higher and were still climbing.

In Canada, the industry produced 265,000 vehicles last year, topping the previous 1939 record by 3,000. This year promises to top everything. Current output is up substantially. April passenger car sales volume was up a whopping 68% in number, 81% in value over a year ago.

Official figures aren't yet available for May but it is known that they will be well above April's record. And June will be higher still mainly because of a five-car-an-hour increase at General Motors' Oshawa plant.

January-April figures for all vehicles showed a gain of 17% in number sold and 28% in retail value. Total sales, 1949, 78,784 against 67,157 last year Passenger cars only, 50,875 against 42,684.

Radios

Sales were a vigorous 21% over last year for the first quarter and manufacturers were looking forward to maintaining and perhaps increasing volume. They based their hope on the upward trend during March. Against first-quarter increase of 21%, the March increase over the same month last year was 36%. Only in Quebec and British Columbia were sales down. First quarter sales were 140,345 units valued at $10.7 millions retail against 115,430 at $10.9 millions a year ago.

Tourist Business

Indications that previous tourist records may be broken in 1949 are:

(a) Number of traveler's vehicle permits (needed by U. S. motorists coming into Canada for more than 48 hours) issued the first five months is 12.8% higher than corresponding period last year.

(b) Canadian Government Travel Bureau received 26.7% more enquiries from prospective visitors during first four months than it did in same period last year. Provincial government offices also report brisker rate of enquiry.

Carloadings

Carloadings for the first five months showed a slight decline from last year's levels but were slightly above those of 1947. The drop was almost entirely accountable to decreases in Eastern Division traffic. Western Division traffic in April and May showed a fairly consistent increase over last year's figures. By mid-June improvement over 1948 levels was being maintained in grain, fresh vegetables, building products, lumber, autos, gasoline and oils, sugar and implements.

Declines from last year were shown in livestock, butter, cheese and eggs, animal products, coal, other mine products, pulpwood, iron and steel, wood pulp and paper, and in miscellaneous manufactures.

Total carloadings up to June 4 were down 3.3% over last year, up 0.5% on 1947.

Textiles

Employment in the primary textiles industry during the first quarter of 1949 was even higher than in the same period of last year with chief gains shown in the manufacture of cotton yarn and cloth and rayon and a minor drop in wool yarn and cloth and knit goods. Second quarter figures, however, are expected to show some drop in all sections of the industry.

Cotton bale openings, which averaged 34,509 per month during the first four months of 1949, well above high level of 1948, dropped to 30,144 bales in May and producers regard this as a possible preliminary indication of a slowing down in production due to slackening demand. As a result of the recent 25% increase in import quotas of American cotton and rayon goods, Canadian producers are now faced with the prospect of having to compete in a market in which the supply of lower-priced goods is improving.

Demand for woolens and worsteds has shown a noticeable slowing up in recent months although in some sections of the trade this is regarded as temporary. This trend has been underway for the past year and Canadian production is down from 1948 but this expected decline has been made up in some degree by an increased production of worsted suitings.

Canadian rayon fabric production reached new peak of 115 million yards in 1948 and production has continued at a higher rate during the current year. Imports from Britain, however, have been coming in at the rate of 1.5 million yards a month this year as compared with an average of 1 million yards a month last year. However, this industry which supplies about 80% of domestic requirements, is unlikely to encounter any major difficulties this year.

Stock Markets

While realizing that on the basis of yields and ratio of price to earnings, stocks have seldom ever looked cheaper, majority of investors are still holding their sideline positions. Their argument is that a worthwhile market upturn cannot materialize until the postwar business adjustment now under way in U. S. and to a lesser extent in Canada gives some indication of leveling off.

On the other hand some market commentators draw attention to the fact that a stock market that started discounting a recession two years before it started would likely move forward in advance of business improvement. The little indication of distress selling that appeared after the recent penetration by the Dow-Jones industrial average of its 3½-year resistance low and this week's firmer tone would seem to suggest the likelihood of some rally developing around current levels.

Since the first of the year Canadian industrial stocks as measured by the Toronto Stock Exchange industrial index have dropped 11.67%, TSE base metals dropped 22.2%, TSE Western oils fell 27.2%. Pulp and paper stocks as recorded by the Montreal Stock Exchange were off 23.5%.

Trading volume on Canadian exchanges fell some 45% from first quarter levels.

Gold Mining

Statistics show Canadian gold output back at the 1942 level, and closing in on 1941, Dominion's peak production year.

But costs continue high. Many further mines would already have closed save for Emergency Gold Mining Assistance Act. New producers — Giant Yellowknife, Campbell Red Lake, Howe Sound's Nor Acme, etc. — have played a key role in expanding output as have recent mill expansions such as those of Malartic Gold Fields and Madsen Red Lake.

Exploration for new gold mines has reached an extremely low ebb.

Advertising

This sensitive indicator of management's confidence in its ability to induce sales is speaking more audibly than it did at the beginning of the year. At that time, somewhat higher dollar volume appeared to be buying slightly less linage.

Now, with expenditures in principal media running around 25% ahead of last year, an upward trend is clearly registered.

Base Metals

Physical production volume will remain high in Canada despite drastic price slashing which is resulting in widespread cutbacks of output by U. S. base metal mining. Only "major" to reduce output here is International Nickel Co., which cut operations 10% June 1 following 20% drop in nickel demand.

Oil Production

Success continues to attend search for oil in Western Canada. But little immediate prospect seen for any appreciable expansion of production levels. Existing western market is "saturated."

Developed productive potential capacity of western oil fields today probably exceeds 75,000 bbls. a day—well beyond Prairie requirements.

Oil reserves are now in excess of 750 million bbls. as against 600 million bbls. the beginning of the year. Rapid expansion of these reserves is anticipated

Oil Refining

Outlook continues generally good. Gasoline sales were up around 20% in first five months of current year compared with corresponding period of 1948. Despite mild winter and a good deal of consumer price speculation on fuel oil which has cut down on summer fillings of consumer's tanks, increase in new accounts has kept sales on about a par with same five months of last year.

Rapid increase in oil burner installations promises expanded sales for the year. Sales of lubricating oils are only up slightly. Distress selling of low-priced U. S. oils on the Canadian market has pared sales somewhat for domestic producers.

Pulp and Paper

Newsprint sales have been higher every month in 1949 than for corresponding months in 1948, are still well above prewar levels. Shipments from Canadian mills up 6.4% over last year. No change in contract price for newsprint although there has been a definite softening in spot market prices in New York.

Woodpulp sales although still well above prewar, are down in the export market. Exports have declined 5% to 10% from last year. Prices have declined steadily since fourth quarter 1948. Present prospects are for further reductions, in some grades.

Fine paper sales down somewhat from first quarter and from last year. Items such as paper bags, cardboard containers, etc. are off since the first of the year but this may be the beginning of a seasonal trend. Fine paper mills now have to get out and sell but there are comparatively few price reductions so far.

Trend in newsprint appears firm with possibly somewhat lower sales at the end of this year. Woodpulp market is soft and is likely to continue so unless the paper industry in United States increases production.

Insurance

Life insurance sales have remained at a high level, total for the first five months showing an increases of 2.3% over the same period in 1948. Upward trend is attributed to the high levels of employment and wages, desire for protection and the aggressiveness of salesmen.

A large part of life insurance funds is going into mortgages, especially on residential buildings. Some slight improvement in the rate of interest earned on invested assets is expected in 1949, on this account.

Policyholders meanwhile show a high degree of persistency in keeping their policies in force. Lapses and surrenders continue well below what were previously regarded as normal levels.

Thus business continues generally well ahead of last year and far ahead of prewar. Expansion in the latter comparison is indicated by the fact that the sales of $520.3 millions for the first five months of 1949 are more than three times the $156.7 millions shown for the first five months of 1939.

Business in coming months is expected to continue at a good level.

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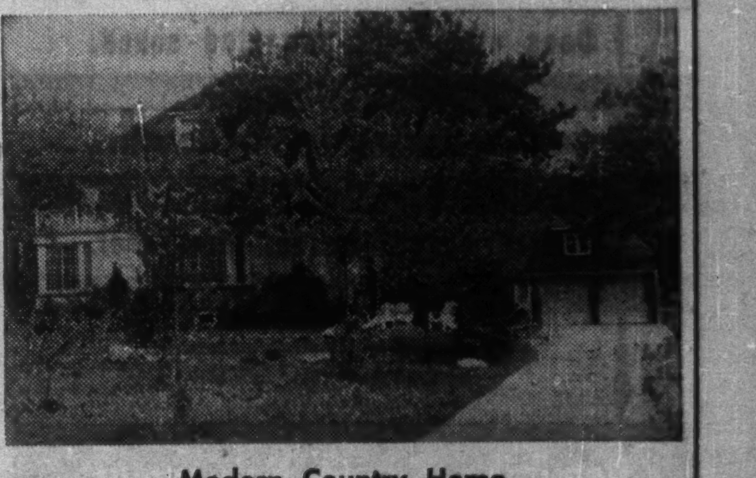

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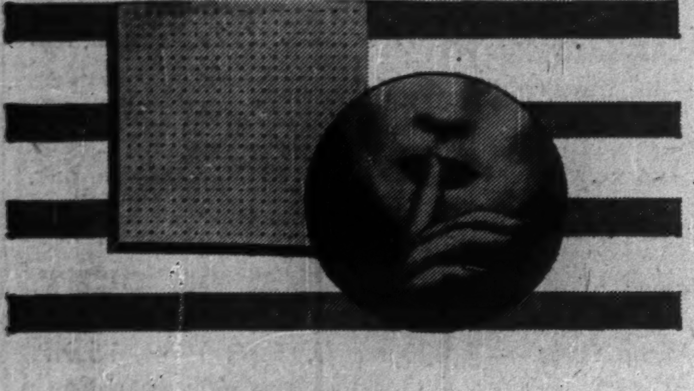

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27 New Stocks Eligible For Insurance Portfolios

During 1948 at least 15 new preferred stocks, five new class A stocks and seven new common stocks became eligible for investment by Canadian life insurance companies, according to the June, 1949, edition of "Preferred and Common Stocks Considered Eligible for Investment by Canadian Life Insurance Companies," issued by the Toronto investment firm of Cochran, Murray & Hay.

Changes in the combined holdings of 10 Canadian life insurance companies indicated a trend to somewhat lower stock holdings. Of the 41 preferred stocks held, 12 showed a decline and nine an increase, the rest remaining comparatively unchanged. In the class A group five remained unchanged and one represented an increase. Of the 28 common stocks shown, only seven showed increases and 11 had declines, the rest remaining virtually unchanged.

Combined holdings of the 10 Canadian life insurance companies as shown in the abridged list are:

	—(Dec. 31)—	
PREFERRED STOCKS:	1948	1947
Aluminum Co.	24,100	*21,770
British Amer. Oil Co.	11,000	10,000
Canada Bread Co.	1,383	1,819
Canadian Canners Ltd.	6,340	8,720
Candn. Car & Fdry Co.	11,500	11,500
Candn. Celanese Ltd.	9,095	11,500
Candn. Cottons	14,120	14,620
Candn. Industries	5,854	5,576
Candn. Oil	2,550	2,480
Dom. Fabrics	2,027	2,002
Dom. Glass Co.	16,050	27,880
Dom. Malting Co.	1,770	1,770
Dom. Tar & Chem. Co.	19,200	19,200
Dom. Textile Co.	1,542	1,857
Gatineau Power Co.	4,972	4,482
General Steel Wares	4,424	4,424
Goodyear Tire & Rubber	9,028	9,028
Imperial Tobacco Co.	117,375	132,955
Imp. Varnish & Color	3,964	3,845
Intern'l Metal Industries	4,860	4,480
Intern'l Milling Co.	6,678	7,603
Loblaw Groceterias Co.	17,675	17,675
McColl-Front. Oil Co.	1,805	1,900
Moore Corporation	21,752	21,467
Nat'l Drug & Chem. Co.	7,000	7,000
National Grocers Co.	7,745	7,065
William Neilson	1,750	*nil
Ogilvie Flour Mills Co.	1,200	1,233
Penmans Ltd.	1,677	1,707
Price Bros. & Co.	2,000	2,645
P. L. Robertson Mfg. Co.	1,366	1,355
Saguenay Power Co.	6,260	9,365
Shawinigan W. & Pwr.	23,035	19,500
Simpsons Ltd.	2,400	855
How. Smith Paper Mills	16,825	17,825
Steel Co.	5,177	5,027
G. Tamblyn Ltd.	1,480	1,550
Tuckett Tobacco Co.	798	798
Traders Finance Corp.	3,540	3,540
George Weston Ltd.	4,500	600
Zeller's	21,120	10,915
CLASS A STOCKS:		
Biltmore Hats	6,984	6,984
Canada Packers	5,985	5,375
Candn. Ice Machine Co.	6,000	6,000
Fittings Ltd.	14,000	13,500
Gordon Mackay & Stores	14,000	14,000
Ingersoll Mach. & Tool	750	750
COMMON STOCKS:		
Bank of Montreal	81,785	82,285
Bank of Nova Scotia	62,795	63,980
Bank of Toronto	57,715	60,170
Can. Perm. Mtge. Corp.	1,900	2,560
Can. Ba[illegible] Commerce	81,690	87,190
Dominion [illegible]nk	41,805	44,610
Imperial Bank of Can.	47,935	49,680
National Trust Co.	86,460	86,460
Royal Bank of Canada	57,490	62,490
Tor. Gen. Trusts Corp.	5,450	5,350
Bell Telephone Co.	*79,996	28,209
Canadian Westinghouse	5,354	5,354
Consumers' Gas Co.	9,630	11,740
Dominion Glass	6,150	6,150
Economic Invest. Trust†	4,010	4,010
Fanny Farmer Candy Shops Inc.	9,650	9,300
Ford Motor Co.	7,700	6,700
Imperial Tobacco Co.	36,150	36,150
Intern'l Nickel Co.	31,725	24,900
Penmans Ltd.	6,260	5,210
Russell Industries	25,130	22,530
Steel Co. of Canada	17,025	17,975
Consol. Mng. & Smelt.	9,200	11,100
Hollinger Consol. Gold M.	5,000	5,000
Lake Shore Mines	2,300	2,300
McIntyre Porcupine M.	8,400	8,400
Noranda Mines	13,570	8,120
Wright-Hargr'ves M. Ltd.	21,200	21,200

*After 4 for 1 share split in 1948.

Following is the list of new stocks which became eligible during the year.

PREFERRED STOCKS:
Barber Ellis of Canada Ltd.
Brazilian Traction, Light & Power Co.
B. C. Electric Co. Ltd. (4¾%)
Canada Varnish Co.
Cassidy's Ltd.
Dominion Dairies Ltd.
Fraser Companies Ltd.
MacKinnon Structural Steel Co.
Monarch Knitting Co.
North Star Oil Ltd.
Paton Manufacturing Co.
Purity Flour Mills Ltd.
Silverwood Western Dairies Ltd.
Standard Paving & Materials Ltd.
Winnipeg Electric Co.
CLASS A STOCKS:
B. C. Packers Ltd.
Bruck Mills Ltd.
Modern Containers Ltd.
Quinte Milk Products Ltd.
Renold-Coventry Ltd.
COMMON STOCKS:
American Cyanamid Co.
Barber Ellis of Canada Ltd.
Conduits National Co. Ltd.
Distillers Corporation-Seagrams Ltd.
Dominion & Anglo Investment Corp.
Huron & Erie Mortgage Corp. (20% paid)
J. C. Wilson Ltd.

In this edition, scope of compilation has been revised to include only those shares which are quoted on either The Toronto Stock Exchange, the Montreal Stock Exchange, the Curb Section of The Toronto Stock Exchange or the Montreal Curb Market.

The abridged list of eligible preferred, class A and common stocks listed continues to represent the holdings of the same 10 insurance companies as last year but has been considerably enlarged.

COMPANY REPORTS

COCHENOUR WILLANS GOLD MINES realized a net profit of $289,060 or 10c a share in the seven months ended Dec. 31, 1948, as compared with a profit of $23,453 or less than a cent a share in the immediately preceding year.

Included in revenue in latest period is $32,500 of cost-aid. No corporation tax was charged to operations by reason of loss carried forward from previous years for tax purposes.

On installation of required additional equipment, it is planned to step up daily tonnage to 300 tons daily from an average of 211.57 tons in the latest seven-month period.

Average grade in the seven-month period proved $1.70 a ton above the all-time mine average.

At the new No. 2 shaft, grade has been found to be above mine average and large tonnages are stated to be indicated. Up to the end of March, 10,000 tons of ore mined had averaged $17.26 a ton. Large areas of potential ore-making ground are stated to exist at No. 1 mine, including ground west of No. 1 shaft.

Results using the Dorr Fluo Solid roaster proved better than expected, and metallurgical problems are regarded as solved.

INCOME ACCOUNT

	7 mos. ended Dec. 31 1948	Year ended May 31 1948
Bullion prod.	$753,573	$746,002
Add: Custom milling	5,230	......
Less: Oper. exps.	449,205	690,189
Operating profit	309,598	55,813
Add: Misc. income	4,933	8,119
Est. Cost-Aid	32,500	28,000
Less: Deprec.	29,938	52,818
Devel. exp. w/o	9,136	15,661
Prov. for taxes	▴18,897	......
Net profit	289,060	23,453
Less: Divds.	236,932	......
Surplus for year	52,128	23,453

▴Provincial income tax only; Dominion income tax of $50,116 offset by application of losses in prior periods.

Earnings per Share	$0.10	$0.008
Paid	0.08	....

CONDENSED BALANCE SHEET

As at:	Dec. 31 1948	May 31 1948
Cash & bullion	$177,088	$178,281
Dom. bonds	197,990	197,990
Accts., etc., rec.	83,096	9,337
Gov't aid rec.	36,346	28,000
Mat. & supplies	175,833	176,705
Lumber, etc.	48,338	48,511
Total curr. assets	718,691	638,824
Prep. & def. chgs.	96,117	82,091
Development exp.	40,150	49,286
Other inv. & adv.	68,160	55,552
Hydro deposit	9,938	9,937
Claims & props.	232,333	232,338
Plant & equip.*	224,967	249,636
Total assets	1,390,356	1,317,659
Accts. & wages pay.	54,559	53,171
Taxes payable	18,961	1,079
Total curr. liab.	73,520	54,250
Capital stock	861,960	861,960
Surplus	454,876	401,449
*After depr. of	586,713	557,801
Working capital	645,171	584,574

OPERATING STATISTICS

	7 mos. ended Dec. 31 1948	Year ended May 31 1948
Tons milled	45,278	64,448
Average recov.	$16.76	$11.58

CANADIAN WALLPAPER MANUFACTURERS CO. net profit for year ended April 30, 1949, was $90,592, off 63.1% from $245,687 in previous year. Trading operations were again very difficult and costs rose steadily during the year, according to President Arnold Ashton.

There was evidence during last few months of the fiscal year of customers reducing inventories in anticipation of the introduction of the company's new line of wallpapers. This new line of Sunworthy Waterfast wallpapers, developed after considerable research, will be introduced next fall and is expected to result in more general use of the company's product in public buildings, offices, etc., as well as the home.

Extensions at the Leaside plant were completed during the year. Operations of the company and its three principal subsidiaries, The Reg N. Boxer Co., Stauntons Ltd., and The Watson, Foster Co., were consolidated effective May 2, 1949, in order to increase efficiency of operations.

CONSOLIDATED INCOME ACCOUNT

Years Ended April 30:	1949	1948
Net earnings	$276,586	$608,423
Add: Prof. on bond sale	......	20,874
Less: Depreciation	115,482	122,976
Taxes	70,512	250,634
Cont. res.	......	10,000
Net profit	90,592	245,687
Less: Dividends	129,246	161,558
Deficit for year	38,654	▪84,129

▪Surplus.

Earnings per Share and Dividend Record:		
Class A & B	$0.70	$1.90
Payable	1.00	1.25

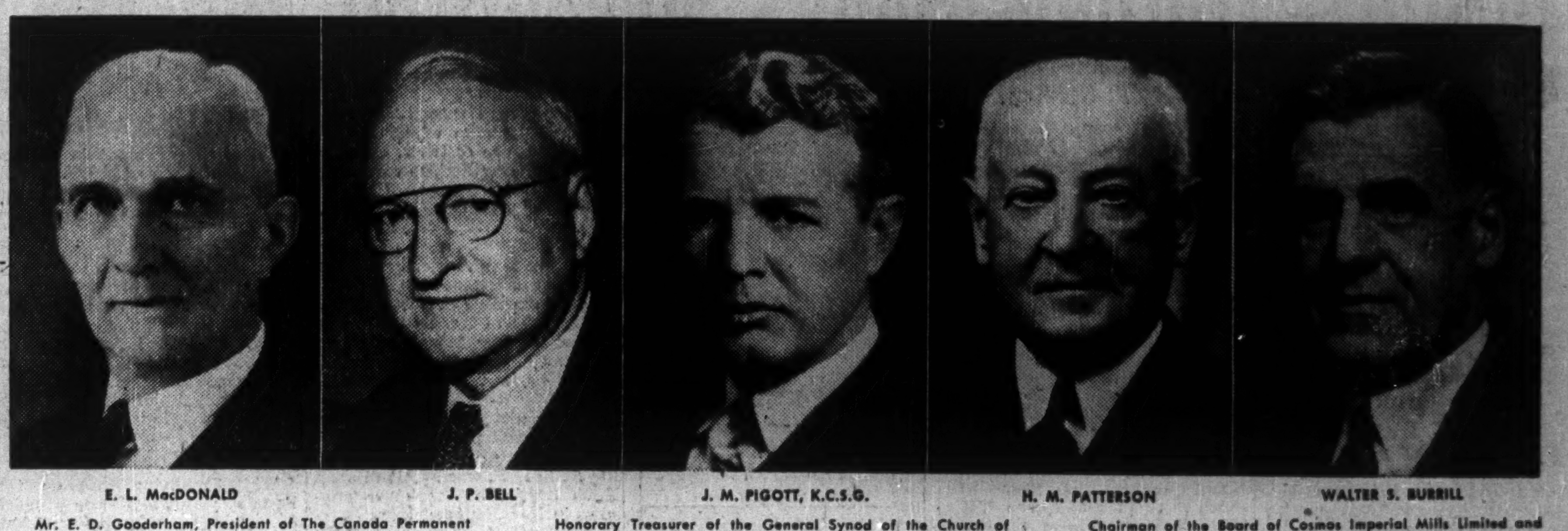
CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1949	1948
Cash	$426,778	$250,246
Accts. rec.	558,405	939,764
Inventories*	1,149,018	1,231,009
Total curr. assets	2,134,201	2,421,019
Misc. assets▴	489,135	470,278
Fixed assets‡	2,194,740	1,930,472
Total assets	4,818,076	4,821,769
Bank adv.	90,000	......
Accts., tax pay.	481,543	509,657
Divds. pay.	129,246	161,558
Total curr. liab.	700,789	671,215
Capital stock	2,648,482	2,648,482
Reserves▴	447,838	454,040
Surplus	1,020,967	1,048,032
‡After depr. of	1,767,233	1,665,784
▴Incl. ref. EPT	162,838	169,040

*After reserve of $302,755.

Working capital	1,433,412	1,749,804

Appointments to the Board of The Canada Permanent Trust Company



E. L. MacDONALD **J. P. BELL** **J. M. PIGOTT, K.C.S.G.** **H. M. PATTERSON** **WALTER S. BURRILL**

Mr. E. D. Gooderham, President of The Canada Permanent Trust Company, announces the election of five new Directors. Mr. E. L. MacDonald, of Halifax, is President of S. Cunard & Co. Limited, Vice-President of Maritime Telegraph and Telephone Company, and a Director of The Canadian Bank of Commerce. Mr. J. P. Bell, of Hamilton, was formerly General Manager of the Bank of Hamilton. He was for six years Honorary Treasurer of the General Synod of the Church of England in Canada. Mr. J. M. Pigott, of Hamilton, is President of Pigott Construction Company, and a Director of the Dominion Bank and of the North American Life Assurance Company. Mr. H. M. Patterson, of Hamilton, was the General Manager and a Director of the Landed Banking and Loan Company of Hamilton. Mr. Walter S. Burrill, of Hamilton, is Chairman of the Board of Cosmos Imperial Mills Limited and a Director of Hamilton Cotton Company Limited and other well-known business enterprises. The Hamilton Directors, together with Mr. Alan V. Young, President of The Hamilton Cotton Company, Limited, will continue to act as an Advisory Board for the Hamilton Branch of the Company.

Western Air Lines To Go To Edmonton

Western Air Lines will extend its northern routes to Edmonton, Alta., as soon as details can be cleared with the Canadian Air Transport Board, Terrell C. Drinkwater, president, states.

Western received rights to Edmonton as a result of the recent United States-Canada air agreement. The airline was certificated by the Civil Aeronautics Board to serve Edmonton from Lethbridge, Alberta, on Aug. 1, 1946, but operations could not begin until an agreement was reached between the two countries.

The extension to Edmonton will add 285 miles to Western's route system, bringing its total route mileage to 4,898.

SISCOE GOLD MINES reports silver production is continuing to increase at the O'Brien property of its subsidiary, Siscoe Metals. Output for May was 51,890 oz. of silver from 2,197 tons treated. This compares with 47,736 oz. of silver recovered from 1,727 tons the previout month.

ISLAND MOUNTAIN MINES CO. reports May production of $53,926 from 3,682 tons of ore milled as compared with $56,962 from 3,619 tons of ore in the previous month.

KOOTENAY BELLE GOLD MINES which realized a $427 net profit in year ended Feb. 28, 1949, reports that Retallack Mines, in which it holds a 60% interest, also realized a $21,557 profit in the 10 months ended Feb. 28, 1949.

If Retallack can maintain production on the present basis of as much as 300 tons a day with a slight improvement in grade of ore, it should be possible to continue operations notwithstanding the drastic reduction in prices of base metals, President J. L. Trumbull reports.

In view of high metal prices previously existing, capacity was expanded at Retallack and advances to that company totaled $386,164 as at Feb. 28, 1949. Kootenay Belle balance sheet as at Feb. 28, 1949, showed $42,733 current assets including $41,338 cash as against current liabilities of $30,632. Retallack had $39,337 current assets, including $22,593 supplies against $386,163 advances by Kootenay Belle.

TIBLEMONT GOLDFIELDS reports no work was completed in 1948, but properties were maintained in good standing. Balance sheet as at Dec. 31, 1948, shows $2,539 cash on hand, $15,000 of Dominion bonds with $15,093 market value as against current liabilities of $300. A total of 1,500,005 shares was issued.

DICKENSON RED LAKE MINES reports that "to make the financing program of New Dickenson Mnes a success," directors secured consent of the Toronto Stock Exchange to delisting of the company's shares. Interest on the company's 5% first mortgage sinking fund bonds which was due on June 6, was forwarded to holders on June 7 by the trust company.

NORTH INCA GOLD MINES from May 26 to June 7 inclusive, sold 39,500 shares for which the company received $9,973. Issued capital is 3,494,714 shares, leaving 505,286 in treasury.

CANADA NEEDS HEALTHY RAILWAYS TO SERVE HER PEOPLE

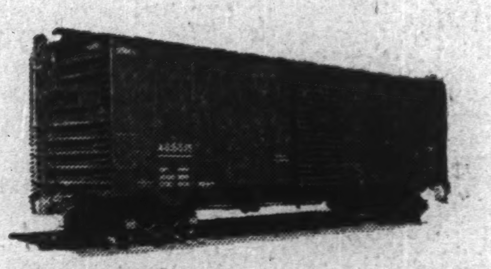
Canada's Railways mean
EMPLOYMENT for
over 190,000 Canadians

It takes skilled manpower and lots of it to keep the railways rolling ... to move passengers and freight (145 million tons of it last year!) ... to carry the essentials of life and work to every community. So it's not surprising that the railways are among Canada's biggest employers. Last year their payroll totalled $544,000,000.

Then, too, the railways are heavy buyers of so many things, from paper cups to locomotives. Their continued power to employ and to buy is therefore linked with the welfare of countless thousands of *other* Canadians doing all sorts of jobs in all parts of Canada.

The fact is . . .

THE RAILWAYS ARE CANADA'S BIGGEST BUYERS



This advertisement is one of a series pointing out the railways' key place in Canada's economy. As Canada's largest builders of railway rolling stock and equipment, this company and its employees are directly concerned with the railway industry. Canadian Car & Foundry's eight modern plants turn out thousands of railway cars of every type, both passenger and freight. They are fully equipped to supply Canada's railways with rolling stock of the latest type to meet the growing needs of our expanding economy.

Last year they bought well over 400 million dollars' worth of goods, most of which were grown, mined and manufactured in Canada.

FUEL—For fuel alone, the railways spent $113,000,000. They are Canada's largest fuel users. Fuel is one of the largest single items purchased.

STEEL—They spent $21,000,000 for rail and track fastenings. There are 13,000 railway spikes in one mile of track; and the railways operate close to 50,000 miles of track.

WOOD PRODUCTS—There are 3,000 wooden ties to every mile of track. Last year for wood products, including ties, the railways spent nearly 30 million dollars.

The railways also spent other millions for rolling stock of all types; for paper products, tickets, timetables, booklets, stationery; for food, textiles and a host of other products.

Adding taxes, duty, insurance, interest charges and other items, the railways spend close to one billion dollars a year.

CANADIAN CAR & FOUNDRY COMPANY LIMITED
MONTREAL • FORT WILLIAM • BRANTFORD • AMHERST

SWEET CAPORAL
CIGARETTES
FACTORY ✓ FRESH

Rodney Hull
LOW COST
LIFE INSURANCE
THE MUTUAL LIFE OF CANADA
EL. 8371

CONSULTANT & BUSINESS REPRESENTATIVE
all DOMINION GOVERNMENT departments
Specialized guidance and advice. Formerly with Reconstruction and National Revenue depts. at Ottawa. 19 Queen St. E., Toronto. PL. 5040.
P. J. WARDLE

LABOR ROUNDUP **BY RONALD WILLIAMS**

What Makes Jobs, Good Wages, Profits? Answer Clear, the Way This Firm Tells It

"If you want a bigger slice of cake, you have to bake a bigger cake!"

Last week the point was driven home graphically for 350 employees of Toronto's Canadian Line Materials Ltd. As they lined up to get their slice of the company's first quarter profits (from $40-$300 each) they also got a slice of a 140-lb. cake.

By the time the cake was gone, so was the $33,000 which was the employees' share of the profits under a plan started in 1941. The connection was obvious. So was the implication: the more you produce, the more there is to share.

Before the year is out, Canadian Line employees will get another three helpings of profits and cake. To many, it will mean an extra $1,000 for the year. Altogether, the company has paid its employees $401,842.

"We believe," says President I. E. Messinger, "it has made employees more conscious of their role in the making of company profits."

The plan works this way: 15% of every three months' net profit before taxes goes into the employees' pot. They share in proportion to their wages and seniority through a point system. Hourly-paid employees get one point for each month of service (after they've been there three months) two for each cent of hourly earnings. Office help get one for each month of service and another for every dollar of monthly earnings. Points are added up and divided into the employees' 15% to get how much each is entitled to. Lateness costs 1%; a full day's absenteeism, 5%; half, 3%. A perfect record wins an extra bonus of $1 a month.

The results, says the company: reduced labor turnover; lower absenteeism; increased productivity; higher profits.

* * *

Financial Finagling

On the basis that 90% of all Communist activity in Canada originates in labor unions, British Columbia's Reds have little to write home to Moscow about these days.

Last week in the province which Tim Buck once described as the "stronghold of Communism," the comrades were routed by a combination of union democracy and Canadian justice.

They were out of the province's biggest union, the CIO Woodworkers (IWA). They also had to give back $136,000 they took out of the union treasury when they went.

In a Vancouver courtroom, Supreme Court Chief Justice Farris ordered the union funds, since deposited with the court registrar, turned over to the anti-Communist leaders who assumed control when the Reds bolted last October.

At that time the CIO-CCL "get-rid-of-the-Communists" campaign was well under way and finally got too hot for the Communists who were then running the B. C. section of the Woodworkers and had been for years. Without consulting the membership, the Communists suddenly quit the International and set up a rump outfit.

Even Communists themselves appeared dumbfounded when the union's Red bosses, Harold Pritchett and Ernie Dalskog, (also B. C. LPP kingpins) bolted and took about $136,000 with them, along with other property. Dalskog spent 21 days in jail for contempt of court before turning the money over to the court.

Meanwhile, the CIO-IWA, now rid of the Reds, began regrouping its forces under anti-Communist Stuart Alsbury of New Westminster. At times the struggle became violent. Alsbury and other anti-Reds were beaten and hospitalized during a picket-line skirmish.

Everywhere in B. C., the Reds were on the run—on the political, union and legal fronts. Last week's court decision almost turned the retreat into a rout. For in addition to losing the decision, the Reds were assessed costs which may run into several thousands of dollars. And still pending are actions for recovery of another $60,000.

Most of the credit for driving the Reds out had to be given to an Easterner, big Bill Mahoney. Young, tough, experienced, Mahoney was drafted by the CCL three years ago to be its Western director. At that time he was one of the most promising organizers in the powerful CIO Steelworkers in Ontario. A former steelworker at Algoma, Sault Ste. Marie, Mahoney had a home and family back East and would have preferred to stay there. At that time, the CCL campaign to oust the Reds was just getting under way. When asked to direct the B. C. campaign, Mahoney felt he had no alternative. If for no other reason than he has whittled down Red influence, Mahoney has earned B. C. labor's gratitude.

* * *

Toronto Casts CSU Adrift

Last week, while Vancouver, Fort William and Winnipeg AFL-TLC councils continued to play along with the Communist Seamen's Union, Toronto heaved the Red-led outfit out with a 140-76 vote. The Toronto council is the largest in Canada (represents 60,000 members) and the first to implement the suspension order of the Trades and Labor Congress of Canada (The Financial Post, June 4). The other councils postponed action until the CSU case is finally dealt with at the TLC convention in Calgary next September.

* * *

Nfld. to Get Labor Law

One of the first legislative steps to be taken by Newfoundland and first Premier, Joseph Smallwood will be a labor law. The tumult of the Island's first election had hardly died away before Premier Smallwood granted an interview to the Bus Drivers and Mechanic's union. They said their St. John's employer had refused to negotiate with them. The deputation left with the Premier's pledge that he would propose a bill at the first session requiring employers to negotiate with accredited delegates of their employees. It is believed the proposed code will be a virtual carbon copy of the Federal Law.

* * *

Bonus Time

This is the time of year when employees of Toronto's Drug Trading Co. look for the good news. It came last week; 415 will get incentive bonuses aggregating $86,300. This is the largest annual bonus ever paid in the 31 years the scheme has been in operation, topping last year's by almost $11,000. An additional $21,900 will be divided up in August under another plan started two years ago. This year's bonus increase was attributed to sales volume exceeding $18 millions, a 12½% increase over the previous year.

* * *

Rubber Union Ousts Head

Toronto will be the scene of final round of a bitter internal battle within the top international leadership of the powerful CIO Packinghouse Workers' union. That's where the union's 1949 International convention is to be held and there L. S. Buckmaster who was recently ousted as president on charges of malfeasance in office, will take his case to the rank and file.

(In Toronto last week the union announced its 1949 demands: 25c an hour more; $100 monthly pensions financed by the industry; 40-hour week; union shop.)

The former Hoosier school teacher who became an Akron tire builder and climbed to the top of the Rubber workers' union ladder, was deposed after hearings in Philadelphia. Buckmaster is considered a union conservative. His successor, vice-president, H. R. Lloyd, is reportedly one of the brighter lights in the more aggressive wing which now seems to have control.

At the last convention in Omaha, Buckmaster was re-elected by a slim margin of two votes. However, the anti-Buckmaster wing was able to elect nine of their men to the executive board against five for Buckmaster. It was this board which ousted Buckmaster.

The charge of malfeasance appears to have been the knockout blow of the anti-Buckmaster campaign. It stems from the ousting by Buckmaster of a local union president at Pottstown, Pa. A miniature riot broke out when Buckmaster tried to take the floor to discuss administration reforms. Buckmaster and three others were roughed up before police riot squads restored order.

At the same time Buckmaster was removed, the executive restored to office the local official Buckmaster had kicked out. Because the Canadian section of the union is virtually autonomous, the International squabbling has little or no effect here.

* * *

Labor Briefs

16-man team of British dropforge workers is making a tour of Canada and the U. S. under the sponsorship of the Anglo-American Council of Productivity. The object is to improve British industrial technique. Toronto and Windsor are on the itinerary this week.

* * *

Saskatchewan's higher minimum wage rates went into effect last week. In the eight cities and nine larger towns new rates are $21 weekly (from $18.50); in 48 other towns of more than 500 population $18.50 (from $16.).

* * *

Elphege Beaudoin of Montreal was last week re-elected president of the Quebec Provincial Federation of Labor (AFL-TLC), at Granby, Que., where 500 delegates also refused to take a stand on a number of anti-Communist resolutions, criticized "reprehensible" police action in the Asbestos strike and "deplored" activities of AFL Seafarer's Union.

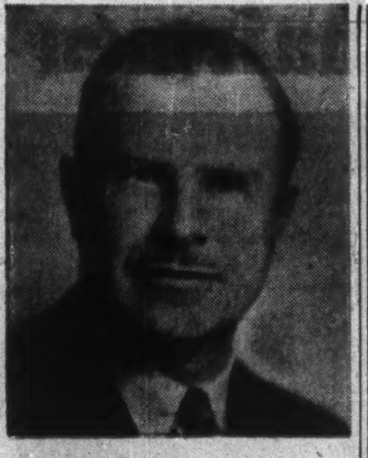
Monarch Life Raises Paid Up Share Value

From Our Own Correspondent

WINNIPEG — (Special) Monarch Life Assurance Co. is making a call of $10 a share on the company's shareholders to be paid by July 1. There are 9,966 shares outstanding. Par value is $100 and shares are now $30 paid up. The new call will make them $40 paid up on each share.

The company is paying dividends of 12% annually and the present call will enable the shareholders to share more largely in the company's earnings.

MANITOBA SUGAR CO. will start manufacturing cane sugar on June 15, 1949, using raw cane imported from the British West Indies. It is the first time that cane sugar is to be manufactured in Manitoba. The company normally processes sugar, molasses, etc., from sugar beets grown domestically.



GEORGE L. JENNISON

of Wills, Bickle & Co. has been elected secretary of the Toronto Stock Exchange.

Transit Business Levelling Off

Estimated revenue passengers carried in 1948 by members of the Canadian Transit Association totaled 1,406,914,400—up 0.89% from 1947 but off 4.9% from 1946 peak year. Vehicle miles operated were up 5.1% from 1947 and 6.3% from 1946.

During the year, 342 motor buses were purchased and delivered, 104 street cars and 162 trolley coaches. At year end association members owned 7,183 passenger vehicles, off 3.4% from number owned at end of previous year but up 14.7% from end of 1946.

Quality Steels Meet Lacks Quorum

The meeting of the holders of the general mortgage 5½% sinking fund bonds of Quality Steels (Canada) Ltd. called for June 17, has been postponed to July 8, because of the lack of a quorum. At the June 17 meeting, only about 13% of the outstanding $495,000 general mortgage bonds were represented, while 40% is necessary for a quorum. Only 11% was represented at postponed June 10 meeting.

Whatever bondholders are present at this second adjournment will then constitute a quorum according to the terms of the trust deed.

ONTARIO

The Prime Minister and Treasurer
Of The Province of Ontario

is pleased to extend greetings and a warm welcome

to

THE INVESTMENT DEALERS' ASSOCIATION
OF CANADA

who are holding their thirty-second Convention at
MINAKI

It is a happy occasion to have this important association meeting in one of our finest resort areas. I am sure you will enjoy and benefit from your visit and stay in Ontario.

LESLIE M. FROST, K.C.,
Prime Minister and Treasurer
TORONTO June 1949

Ins. Superintendents Meet At St. Andrews

Annual conference of the provincial superintendents of insurance will be held at St. Andrews, N.B., Sept. 6-8.

The main subject for discussion will be the revision of the Insurance Act with special reference to the other than life sections.

Other topics will be the valuation of securities, annual statement blanks, life insurance legislation, bailees' insurance, licensing and regulation of agents, automobile assigned risk plan and automobile insurance legislation and forms.

WANT TO LOCATE, RELOCATE OR EXPAND YOUR PLANT AWAY FROM HIGH CITY TAXES AND TOP WAGE SCALES?

We can supply complete data on buildings, sites, transportation, water, gas and sewage facilities, municipal taxes, available labor, and all other pertinent facts required, covering many properties in Ontario towns and cities. This comprehensive information has been gathered by experienced industrial engineers.

Our unbiased presentation of all details will assist you in selecting logically and economically the plant or property you need; a practical, low cost service. We have helped several companies to acquire plants for what they have paid in taxes.

P. H. KEAYS and ASSOCIATES
CONSULTING ENGINEERS, *established 1922*
66 KING ST. EAST, HAMILTON, ONT. Phone 2-1566

CALMONT OILS LIMITED
announces the appointment of
Mr. C. S. Robinson
BOND DEPARTMENT
OSLER, HAMMOND & NANTON, LTD.
ALBERTA
as a Director
to fill the vacancy caused by the
death of Sir Francis Price, Bart.,
of London, England.

CALMONT OILS LIMITED
Toronto General Trusts Building,
CALGARY ALBERTA

DO YOU DO THIS
EVERY
DAY?

Strenuous exercise, this treading the tricky "tight-rope" margin between costs and profits. It can take a lot out of a man—and out of his business, too, unless he maintains the proper balance.

Complete, up-to-the-minute facts and figures can do wonders towards making this margin wide enough for firmer footing.

You need *today's* data *today* to plan successful strategy . . . to make those vital decisions that keep your feet on solid ground.

That's why it's so important that you have the *right* figuring and accounting machines—and *enough* machines in your office.

Modern Burroughs machines will produce the facts you need when you need them. Mechanizing your office with Burroughs will also help you reduce overtime and eliminate the necessity for costly temporary help. Why not talk it over with your Burroughs man today? Burroughs Adding Machine of Canada, Limited, Windsor, Ontario.

WHEREVER THERE'S BUSINESS THERE'S Burroughs
THE MARK OF SUPERIORITY IN MODERN BUSINESS MACHINES

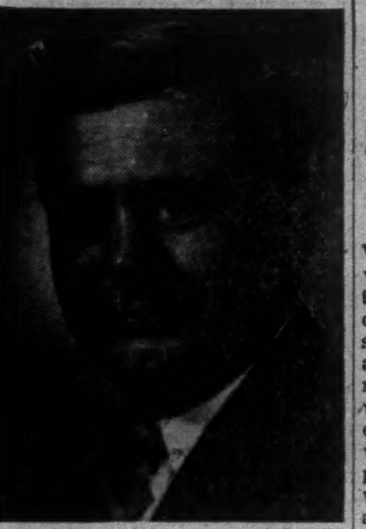
These Bonds having been sold, this advertisement is published for record purposes only.

$6,000,000
Calgary Power Ltd.
First Mortgage Bonds, 3⅝% Series due 1972

To be dated June 1, 1949 To mature June 1, 1972

Price: 100.39 and accrued interest

Royal Securities Corporation Limited
Montreal Toronto Halifax Saint John Quebec Ottawa Hamilton
Winnipeg Calgary Vancouver Charlottetown St. John's, Nfld.



DR. J. E. FOOTE

A. Welch, General Manager of The E. B. Eddy Company, has announced the appointment of Dr. J. E. Foote as Mill Manager of the Company. Dr. Foote was formerly Assistant General Manager of the Pulp & Paper Section of the B-F-D Division of the Diamond Match Company with plants located at Plattsburg and Ogdensburg, New York. *

"Safety Seal" ENVELOPES

We make envelopes for every need— write and tell us your requirements by

NATIONAL PAPER GOODS LIMITED

HAMILTON ONTARIO

Halifax, Montreal, Toronto, Winnipeg, Vancouver.

IDA District Chairmen Report

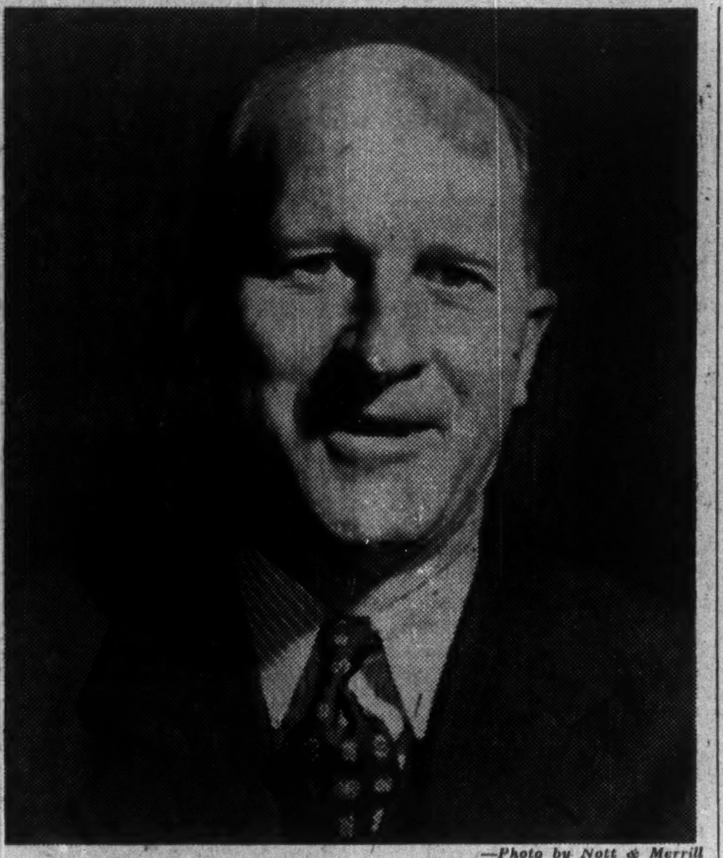
Following are the reports of the district chairmen presented at the I. D. A. convention at Minaki Lodge this week:

Pacific District

W. J. Borrie, Pemberton & Son, Vancouver, Ltd., Vancouver, B. C., vice-president and chairman of the Pacific district: The municipal affairs committee reports some speeding up of borrowing as the result of construction and major replacement operations which had been deferred on account of war and immediate postwar conditions. Although postponement of at least some of this work was felt desirable to offset a possible recession in business, the greatly increased population made it desirable that the work be done. The pressure of school population hastened the revamping of the various school districts and has resulted in a great deal of school construction and financing with little control by municipal authorities.

To assist in provision of more adequate water and sewer facilities and financing of these undertakings, the provincial government guaranteed debentures of a number of villages such as Burns Lake, Campbell River, Smithers Terrace, and Williams Lake.

Interim grants from the Social Security and Municipal Aid tax were made to municipalities during the year ranging from $489 to Lytton to over $800,000 to Vancouver. As no provision is made in this Act for district grants or for grants from the tax to assist in locally administered school areas, grants totalling approximately $1,400,000 were made from other sources to various school districts, and there appear to be plans whereby real property taxes in such areas for school operating costs will not be levied at more than eight mills, the deficiency in requirements to be furnished by the provincial government.



—Photo by Nott & Merrill

John Brabant Ridley this week takes over as president of the 325 coast-to-coast member Investment Dealers' Association of Canada at a time when it is acquiring growing importance as an articulate and closely-knit body. Born in 1898 in Toronto, Jack Ridley joined A. E. Ames & Co. in 1920 on graduating from the University of Toronto with his B.A.; was elected director of the firm in 1934. He is a director of Grafton & Co. and of National Hosiery Mills, Ltd.

Other assistance furnished directly or indirectly by the municipal aid tax is to villages having general revenues of less than $12,500 a year, these being relieved of financial responsibility in respect of general destitution cases.

The statutory limit of borrowing powers has been changed, this being now based on taxable values over a period of three years instead of one year as before. The cities of New Westminster and Victoria can now proceed with local improvements on the initiative plan. Municipalities may now reserve funds for local improvements instead of having to issue debentures.

Change of status of an organized community cannot now be made merely after a petition; the petition has to be implemented a poll. Racial restrictions have been eliminated from municipal voting. In new issue of bonds the signature of the inspector of municipalities may now be lithographed instead of each bond having to be signed. The only municipalities now being administered by Commission are the city of Merritt and the District of North Vancouver.

As the new Hospital Insurance Act went into effect the first of the year, it is too early to appraise its effectiveness.

The government has announced intention (1) To build a highway connecting P.G.E. terminal at Squamish with Vancouver; (2) To establish a lumber assembly plant at Squamish; (3) To construct a power development project in Quesnel; (4) To extend the P.G.E. from Quesnel to Prince George, The Premier has suggested that British firms order ties and lumber from the B.C. firms to cover our purchases of steel andlocomotives in Great Britain in addition to orders that have already been placed through the usual channels. The ties and lumber would come from the territory adjoining the P.G.E.

The decision of the Board of Railway Commissioners on the mountain differential freight rate should be of inestimable value to British Columbia industry.

Some progress has been made in persuading trust companies to waive the requirement that a person's occupation be stated when registering shares of British Columbia companies.

As a result of letters written to presidents of large Canadian corporations asking them to arrange stock transfer facilities in Vancouver, some have already agreed, namely Power Corp., of Canada, Beatty Bros. Ltd., Russell Industries and Canada Cement Co. Several other companies are considering this move.

Alberta District

C. S. Robinson, Osler, Hammond & Nanton, Ltd., Calgary, retiring vice-president and chairman of Alberta District: This district was formed in 1948 with a total membership of 17, and activities for the first year have been mainly of an organizational nature.

The many discoveries in the Alberta oil fields, and the rising interest shown by both Canadian and American companies in the development of the oil industry have netted the province $12,450,000 from the sale of oil lands, petroleum royalties and petroleum fees and rentals in the year ended March 31, 1949.

It is anticipated that the recent legislation passed by the federal government approving the incorporation of private pipeline companies will entail the spending of over $250 millions on the lines. This will give the Alberta district an opportunity to participate to a large extent in the many problems of financing that will arise.

Western District

J. Ross Murray, A. E. Ames & Co., Winnipeg, Man., retiring vice-president and chairman of the Western district: Farm income has been at a high level for some years and in the 1948 crop year reached a peak of $567 millions for Manitoba and Saskatchewan as compared with $375 millions in 1947. This, coupled with a stability of income assured by the Dominion-provincial agreement, has led to an increasingly improving credit rating for Western provinces and municipalities. Manitoba, with the sale of its last public issue, established a credit approximately equal to the best provincial credits in Canada. Unfortunately, largely for political reasons, the same cannot be said of Saskatchewan.

The Saskatchewan Local Government Board (Special Powers) Act, which permitted readjustment of municipal debt without reference to bondholders, has now been amended. Bondholders representing 51% may now petition the board as occasion arises, and this should increase the acceptability of Saskatchewan municipal securities to outside lenders.

The committee has prepared in draft form a memorandum that can be used as a booklet for distribution to all reeves, municipal secretaries, treasurers, etc. to be used as a guide by them in preparing debenture issues. It will, before competition, be fully discussed with the Public Utility Board.

Central District

John B. Ridley, A. E. Ames & Co., Toronto, retiring vice-president and chairman of Central District: A new and orderly procedure concerning the handling of applications for membership was studied and adopted.

Studies were made resulting ultimately in the approval of a group insurance plan.

A special committee, formed to prepare a memorandum re bank charges, was partly successful but recommended that efforts in this connection be continued, particularly as to call loan rates.

Continued friendly co-operation with the Ontario Securities Commission existed. Informal discussions assisted in the simplification of procedure in submission of applications for registration and in a reduction of charges resulting through the elimination of the necessity to post bonds.

Some reduction in fidelity insurance rates was secured.

We continued to investigate ways and means of coping with the problem of insurance companies and banks arranging loans direct with borrowers. Considerable headway was made in this regard with respect to banks, and strictly Canadian insurance companies appear to be quite sympathetic. Certain U. S. insurance companies doing business in Canada, however, do not as yet appear to be of a similar mind.

The legislation committee wrote the Foreign Exchange Control Board recommending certain changes of which two were adopted. These were:

(1) Permission for non-residents to register security purchases.

(2) Retain the requirement that non-residents may not acquire securities having a term to maturity of less than three years unless the security sold is of shorter term, but remove the requirement that necessitates the earliest call date being regarded as maturity.

The request not granted was that on exchanges of securities, both resident and non-resident, Dominion, provincial and municipal, direct and guaranteed obligations, be classified in one group and corporate bonds, preferred and common shares in another group.

The municipal administration and finance committee suggested that clauses substantially as follows be required to be inserted in all tenders for new issues along with the usual conditions:

(1) "To delivery being within a reasonable time and to accrued interest, if any, not being payable by us beyond thirty days after date of acceptance of tender. In event of the bond and/or debentures commencing to bear interest subsequent to such thirty-day period, interest at the coupon rate from the end of the thirty-day period to the date the securities commence to bear interest shall be deducted from the price tendered."

(2) To your granting us market protection by refraining from selling or offering for sale, without our consent, further issues of debentures for a period of sixty days from date of delivery of the debentures to us."

Eastern District

R. H. Dean, Nesbitt Thomson & Co., Montreal, retiring vice-president and chairman of Eastern District: Exhaustive studies were made for the presentation by the association of briefs and letters to the federal authorities on income tax, transfer tax, FECB restrictions, and recommending widening the scope of relief given in the recent budget to include all shares.

Meetings were held with provincial authorities and commissions, in Quebec City and Montreal, directed towards the deeper appreciation by them of the problems of the industry and a broader application of regulations under existing legislation. Matters dealt with included qualification of securities in Quebec, broadening the scope of trustee investments, Bill 202 on Fabriques, official recognition of the IDAC, and public tenders versus private deals by Quebec municipalities.

A joint committee has been set up with the chartered banks having their head offices in this district to study problems of mutual interest in the field of investment.

A follow up on briefs on bank charges and interest rates has resulted thus far in only a slight concession in daylight overdraft charges being obtained. Efforts to obtain lower bank charges and interest rates in keeping with the changed nature, since the 1920's, of many such loans to "call" status and to the greatly increased volume of business have so far been attended by meagre success. Further approaches should be made.

Maritime District

F. C. Fisher, Eastern Securities Co., Saint John, N.B., retiring vice-president and chairman of Maritime District: In New Brunswick, the Provincial Government Trustee Act has been amended to provide the funds guaranteed by any municipality within the province, also bonds issued by local improvement districts (unincorporated villages) are now legal for trustee investments.

There have been several new issues by small school districts as a result of the County School Finance Act which came into operation last year. School bonds issued under this act are in effect an indirect responsibility of the county in which they are located and usually sell on a credit basis of the county. All counties in New Brunswick, with the exception of Restigouche county are under the County School Finance Act.

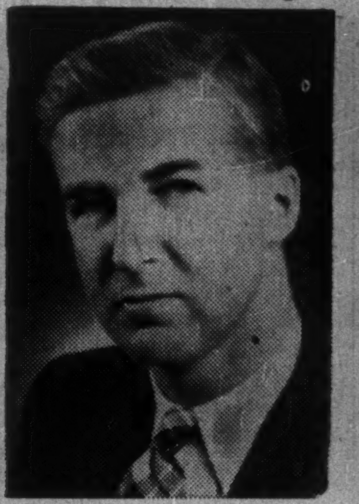
A Newfoundland committee was formed to review the municipal and provincial financial situation there, but little can be done until after the provincial election in Newfoundland and the federal election here. Newfoundland committee advises that they do not anticipate any financing by the city or province until after these elections other than sale of the balance of the city of St John's bonds, something less than $500,000.

This committee reported on provincial financing and also in connection with municipal financing that until very recently there was only one incorporated municipality in Newfoundland,—

(Continued on pabe 13)

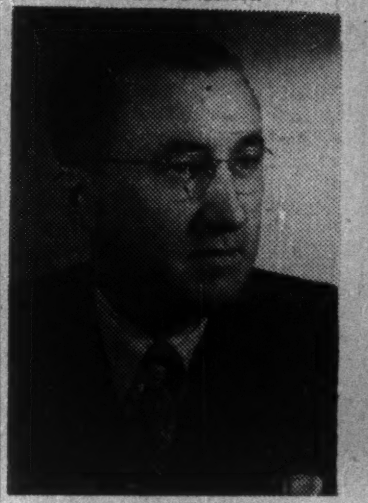
Investment Dealers' Association Regional Vice-Presidents

W. J. BORRIE,
Pacific District.



. N. KNIGHT,
estern District.

PETER KILBURN,
Eastern District.

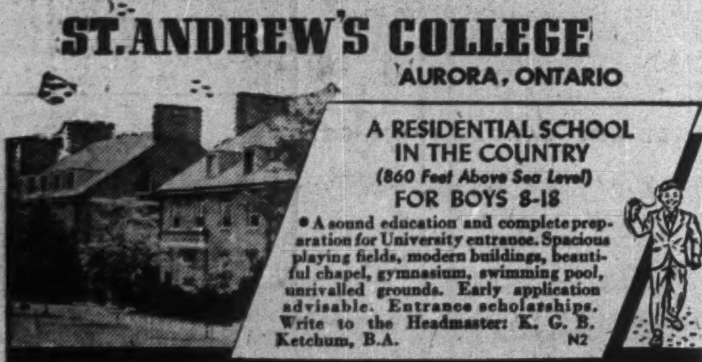


K. P. DUGGAN,
Alberta District.

C. L. GUNDY,
Central District.

H. N. M. STANBURY,
Maritime District.

Schools and Colleges



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• A sound education and complete preparation for University entrance. Spacious playing fields, modern buildings, beautiful chapel, gymnasium, swimming pool, unrivalled grounds. Early application advisable. Entrance scholarships. Write to the Headmaster: K. G. B. Ketchum, B.A. N2

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"Shortest and Surest Method"
MATRICULATION — GRADES IX-XIII
SUMMER SCHOOL begins JULY 5. Complete review in all lower school and matriculation subjects. Individual instruction.
FALL TERM begins SEPTEMBER 6. Limited accommodation. Make early application, Phone Midway 2073.
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ROTHESAY COLLEGIATE SCHOOL
— Founded 1877 —
AN OLD NEW BRUNSWICK BOARDING SCHOOL
FOR BOYS 10-18

ACADEMIC Elementary and High School courses leading to School leaving certificate. Junior and Senior Matriculation and Military and Naval Colleges.
ATHLETICS Well organized and supervised games in Rugby Football, Hockey, Basketball, Track and Field, Tennis, Skiing.
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BUILDINGS Separate Junior and Senior Residences (Sprinkler fire protection), Chapel, Schoolhouse and Gymnasium, and Administrative Building.

Illustrated prospectus will be sent on request to the Headmaster, C. H. Bonnycastle, B.A.

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ROTHESAY, N.B.

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FOR BOYS

Ridley College — for boys 8 to 18 — combines the advantages of supervised residential life in modern buildings, with sound academic, athletic and character training. Over 50 acres of playing fields for organized recreation. Generous entrance Scholarships and bursaries. For information and illustrated prospectus, write the Headmaster—J. R. Hamilton, B.A., F.C.I.C.

Applications are now being entertained for boys who will be ready to enter Ridley in 1949 and later years. Fall Term opens Tuesday, September 6, 1949.

RIDLEY COLLEGE
FOUNDED 1889
ST. CATHARINES, ONTARIO, CANADA
2-49

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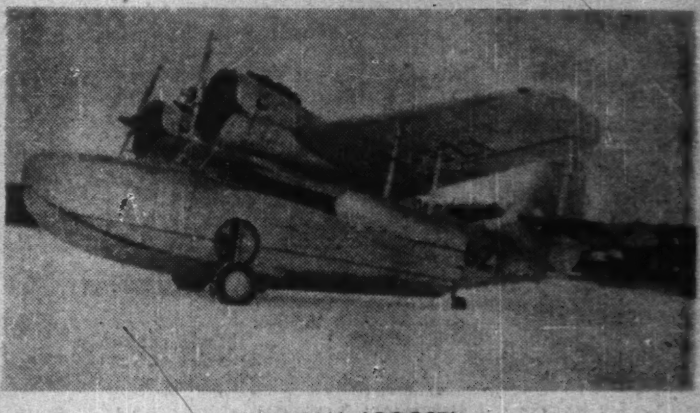
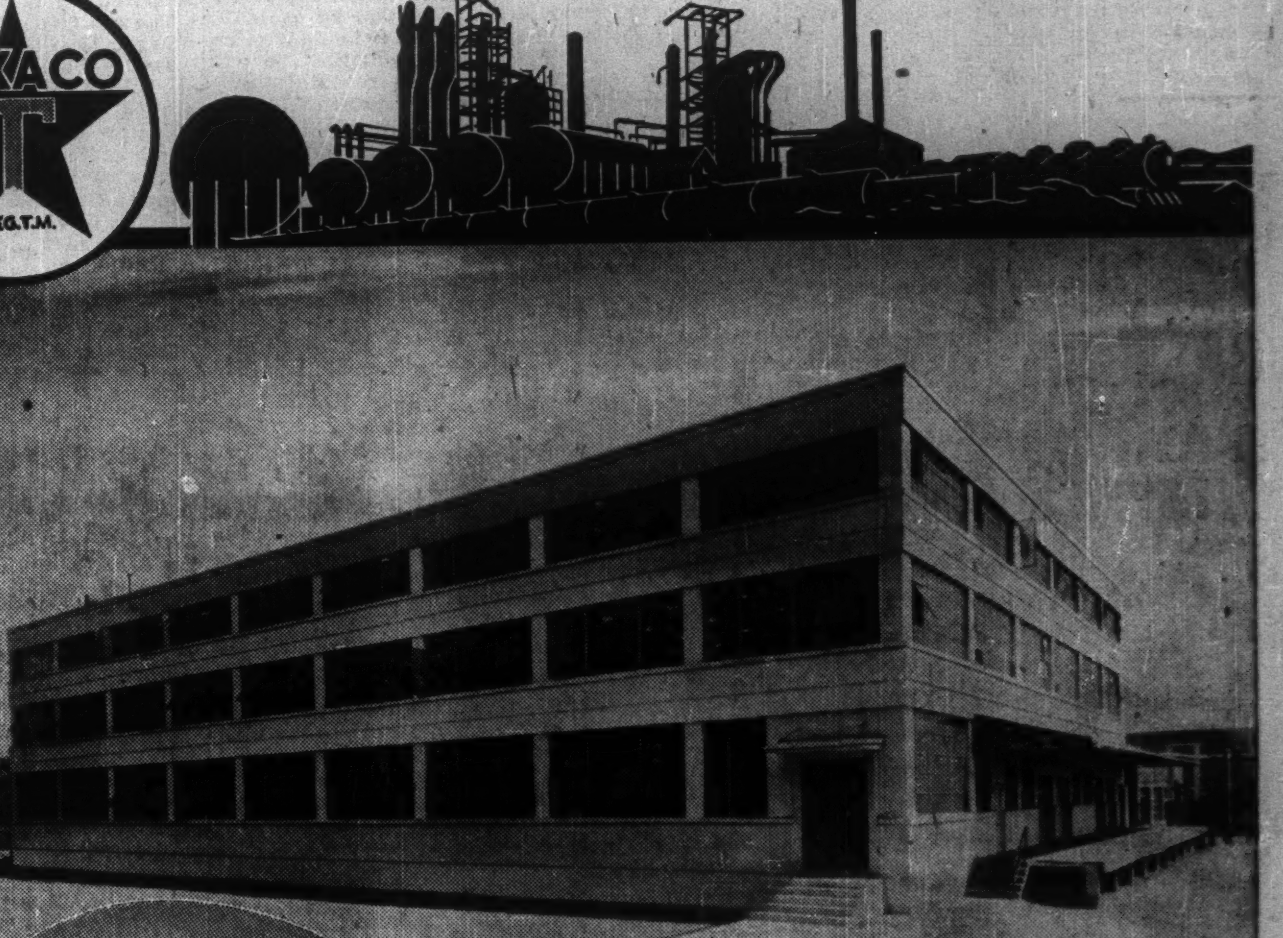


GRUMMAN (GOOSE)
G-21-A Amphibian

Complete with Bendix radio equipment, high powered transmitter and two receivers, including ADF. Aircraft is in excellent condition, equipped as executive transport. Spare engine with no time since overhaul, spare propellers, de-icers, rudder, cowlings, and numerous other G-21 parts. For further particulars, contact Canada Veneers Limited, Saint John, New Brunswick.

TEXACO REG.T.M.



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Urges Broader Field For Insurance Funds

IDA Head Proposes More Extensive Investment by Institutions in "Promising Common Stocks" of Canadian Companies

By JAMES H. JOYCE

MINAKI, Ont. (Staff) — The high proportion of Canadian savings which is going to Canadian insurance companies is raising a new problem in the investment field, Gerald G. Ryan of L. G. Beaubien & Co., Montreal, retiring president, told the 33rd annual meeting of the Investment Dealers' Association of Canada this week.

The indicated total of savings for Canadians for 1946, 1947 and 1948 amounted to $961 millions; $650 millions and $1,146 millions respectively, Mr. Ryan said.

"A high proportion of these savings was paid to insurance companies under life insurance and endowment policies, annuity contracts and kindred benefits," he pointed out.

"Now the employment of the very large sum so received is subjected not only to legislative restrictions, but also to the rigorous tests set up by the individual institutions. It is my personal belief that if these savings are to be put to their best use, a broadening of the field of institutional investment, and, in particular, a more extensive investment in promising common stocks of Canadian corporations are essential. A larger participation by insurance companies in the development of commerce and industry is required in the national interest and should, it seems to me, be feasible within the bounds imposed by present legislation," Mr. Ryan stated.

Common Stock Dividends

The Budget brought down last March was of outstanding interest to investor and investment dealer alike. This was because of its immediate tax relief and hopeful prospects as a result of the step taken towards the eventual elimination of double taxation of corporate profits by allowing individuals a credit against personal income tax equal to 10% of the dividends received on common stocks of Canadian taxpaying corporations, Mr. Ryan pointed out. Purpose of this concession is to stimulate the flow of venture capital into sound Canadian enterprise. The move is opportune because judicious risk taking and an adequate supply of venture capital, arising as much as possible within Canada, are essential to Canada's economic progress, he added.

Obvious impediments are heavy personal income taxes and the double taxation of corporation profits. Both received sympathetic attention in the recent budget with "good hope" for the progressive removal of the second, he stated.

Junior Stocks Aided

"The position is considerably better than it was but not, in my view, as good as it should be," Mr. Ryan said. In the first place the tax credit is limited to the most junior class of shareholder whereas of recent years, at any rate, buyers of senior stocks have provided the bulk of the capital raised in Canada by equity financing.

"My second remark relates to the anxious and doubting mind, which understandably enough, is characteristic of our time. Our current export activity is abnormal to the extent that it is temporarily and artificially stimulated by ERP offshore purchases in Canada.

"Domestic investment in capital goods is abnormal to the extent derived from sizeable deferred needs. Recent discoveries of oil, iron ore and titanium iron ore mark the beginnings of developments for which probably more than a billion dollars and the labor of many workers will be required during the years to come . . . My object, as an investment dealer, is to emphasize the need for adequate venture capital in a free economy and the value to this country of the alert and well-informed investor."

Referring to the European Recovery Program as perhaps the most powerful single influence, economically and politically, discernible in the western world today and also the most beneficial, Mr. Ryan stated: "Naturally, the operation of the program marks a transitional period which, unless terminated earlier by the U. S. Congress, will end on June 30, 1952. Already Canada, amongst others, is experiencing some of the trading difficulties inherent in the unaided future.

Aid to Key World Area

"But the essential point which I would like to make is this: That ERP is meeting considerable success in its prime objective which, as we would do well to recall, is to promote the economic recovery of the participating countries, not the easy prosperity of the exporters of the western hemisphere. The remarkable achievement of ERP is measured by the return of hope and vitality to one of the key areas of the world. Given this we are all given much, Canadians by no means the least."

Investment in capital goods in Canada continues at impressive levels both in terms of physical volume and dollar value. The government survey for 1949 forecasts an all-time high of capital investment, the total being estimated at almost $3,300 millions, an increase of 8% in dollar value from 1948's actual result of slightly over $3,000 millions and a slight advance in physical volume. Massive investment in capital goods has been one of the prime contributors to our postwar economic prosperity, Mr. Ryan pointed out.

What Business is Spending

In 1947, the expenditures of business undertakings (excluding housing and government-owned corporations), accounted for $1,400 millions or 58% of the total of $2,400 millions of new capital investment that year; in 1948, $1,600 millions or 53% of the total $3,000 millions; and now the indicated share of business for 1949 is $1,580 millions or 48% of the forecast total of $3,300 millions. Assuming expectations for 1949 to be realized, this means a total new capital investment by business of almost $4,600 millions during the three years 1947-49 inclusive. If the figures for repairs and maintenance were included, the total would rise to $7,000 millions, equivalent to 57% of the $12¼ billions raised by cash sales of War Loan and Victory Bonds during 1940-45.

"Even after allowing for increased prices, these are handsome figures which, during the immediate postwar period, would have seemed well beyond reasonable expectations either as to size or continuity of expansion. Investment of this magnitude points to a boldness of leadership in business which contrasts oddly with the lack of enthusiasm reflected in the low-price levels currently obtaining on the stock exchanges," Mr. Ryan points out.

Financing Record

The record of Canadian bond and stock financing, less retirements, for 1948, as compared with 1947 shows: A net decline of $211 millions ($271 millions in 1947) in Dominion direct and guaranteed (excluding banking issues) bonds; a net increase of $188 millions ($65 millions) in provincial bonds; a net increase of $52 millions ($28 millions) in municipal bonds; a net increase of $195 millions ($121 millions) in corporate bond issues and a net increase of $45 millions ($110 millions) in corporate stock issues.

Up to early 1948, a favorite form of corporate bond finance was the serial issue of which the first 10 maturities were usually offered to the banks. The changed policy of the banks in regard to such offerings has restricted the market for short terms and necessitated a greater reliance on the single-term sinking fund issue, Mr. Ryan points out.

The entry of Newfoundland into Confederation was welcomed by Mr. Ryan as promising "substantial and mutual advantages."

Pointing out that one of the best ways of protecting the investor is to make sure that the companies' own staffs are well trained and able to give skilled service, Mr. Ryan referred to the association's educational program which, now in its second year, "is operating most successfully and is a source of justifiable pride to our industry."

I.D.A. District Chairmen Report

(Continued from page 12)

the city of St. John's. That city did not have any funded debt for many years as the municipality had been supplied funds first from expenditures from the then Newfoundland government and latterly from the Commission of Government. It also had a certain amount of revenue from municipal real estate taxes which were and still are very conservative but at no time was there a municipal income tax.

A few years ago the City of St. John's decided, because of the housing shortage, to do something to correct this situation, and this involved the expenditure of several million dollars. A bond issue for $3 million was authorized and there is presently outstanding $2,465,000. The authority for selling these bonds had to be confirmed, and was, by the Commission of Dealers who have branches there, on agency basis. These securities were sold in blocks, as the funds were required. The housing scheme has now been postponed, as all available funds have been exhausted, and it is not known at this time what the plans may be for the future. The approximate cost of the housing project was $5,750,000 against which the municipality has borrowed $4,750,000.

The other municipalities which could be considered as borrowers would be the towns of Grand Falls and Corner Brook. As both these are "paper towns" it is therefore doubtful that they would be interested in public financing.

"The Eligible Book"
of
PREFERRED and COMMON STOCKS
considered eligible for investment by
Canadian Life Insurance Companies

1949 Edition Now Available

The fifteenth annual edition of this book of reference assembles up-to-date data covering eligible stocks listed on the Toronto and Montreal stock exchanges. A copy will be supplied upon request.

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PREPAREDNESS–
the watchword for to-day

In this uneasy world, planning to meet eventualities is a precaution worth taking, if not for yourself, for those who depend on you.

Pause a moment—it may be later than you think. There is no time like the present to get things done.

The preparations which you make now for your own future and that of your family will afford added security in years to come, and give you satisfaction and peace of mind to-day.

Your Investments, your Property, your Will—are they arranged to best advantage? We can be of assistance to you in considering these matters, at little or no expense.

Let us analyze your Estate, review your Investments and help you plan your Will.

THE
ROYAL TRUST
COMPANY
OFFICES ACROSS CANADA FROM COAST TO COAST

INDUSTRIAL SITES
available and
INDUSTRY WANTED
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SIMCOE, ONTARIO
(Norfolk County on Lake Erie)

Many advantages offered by this Town in Southern Ontario.

Unusually cold and pure water supply. Before deciding on your new location, get full details about the advantages Simcoe offers.

WRITE —
INDUSTRIAL COMMISSION
SIMCOE — ONTARIO

Gaining in value
from sea to sea

With the addition of the Newfoundland mills, one of which is the biggest of its kind in the world, pulp and paper becomes even more important to Canada. Amidst industry, pulp and paper is first in employment, wages paid, exports, and production. It benefits all Canadians from sea to sea.

PULP & PAPER INDUSTRY of CANADA
118 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Slash DELIVERY COSTS

WITH THE VERSATILE
AUSTIN
A40 PICKUP

Yes, Austin now makes it possible for you to reduce your delivery costs by almost half. The dependable, hard-working Austin ½-ton Pickup actually delivers up to 40 miles per gallon of gas. Then, too, there's a big saving on original price, owing to the large reductions which recently went into effect on all Austin models. Tradesmen, farmers, firms which require light delivery units—all will find a multitude of uses for this tough, rugged, remarkably thrifty Pickup. Powered by a high compression, valve-in-head engine, the speedy Austin Pickup is quickly becoming a favorite for its easy manoeuvrability, unbelievable economy and complete dependability. From coast to coast, people who appreciate honest value are switching to Austin. There IS a reason.

Also available in the low-price field is the new Austin A40 Countryman, a modern, roomy station wagon accommodating six passengers. Here, again, Austin's astonishing economy, superb performance and complete dependability are immediately apparent. The Countryman is an ideal utility vehicle for tourists, commuters, farmers—for anyone who wishes maximum value for his motoring investment.

THE A40 ½-TON
PANEL DELIVERY

You can also get the Austin A40 ½-ton Panel Delivery which is mounted on the same chassis as the Pickup. It, too, provides all the economy and the many brilliant features of the Pickup. For appearance, performance and real down-to-earth savings—to add prestige to your business—your best delivery investment is an Austin commercial unit.

You can now secure immediate delivery of any of these models:
See your nearby Austin Dealer for a demonstration without delay.

AUSTIN A40 SERVICE AND REPLACEMENT PARTS ARE READILY AVAILABLE THROUGHOUT CANADA AND UNITED STATES

AUSTIN MOTOR COMPANY (CANADA) LIMITED
TORONTO ONTARIO

Stromberg-Carlson Names New President

At a meeting of the Board of Directors of Stromberg-Carlson Co. Limited on June 10th, R. A. Hackbusch was appointed President and Managing Director. Mr. Hackbusch formerly occupied the position of Vice-president and Managing Director. Other appointments were Vice-president, G. G. Hoit; Treasurer, J. L. Gasser. J. McNair continues his position as Secretary of the Company.

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The City with a Living Symbol.
Natural ocean port,
Sixth most important Canadian harbour
Wharves: 7,650 linear feet of berthing
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Effective Accounting Systems • Replacement Accounting
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and other articles
— AND —
THE TAX REVIEW
Payments for Patent Rights and Trade Secrets: Income or Capital? • Basic Herds • Latest Tax Decisions, Regulations and Directives
JUNE
$5.00 a year issue $5.00 a year

What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Auto Door Handle

Safety control handle offered by New York company for inside of automobile doors is said to make impossible the accidental opening of door from inside. Said to be simple to install in place of the regular handle. Handle is disengaged from the door lock by turn of a key, making opening of door from inside impossible while it can still be opened from outside at any time.

• • •

Porch Shade

"Vudor," wood-slatted porch shade offered by Chicago company insures privacy but has a ventilator section at top which permits escape of summer heat rays as they rise in the enclosed area. Is constructed of lightweight, durable wood slats, firmly secured, and comes in various colors to harmonize with surroundings.

• • •

Plastic Luggage

Matched luggage made of Kalistron, a Vinylite plastic, being produced by New York firm, is said to withstand moisture, cold and mildew, as well as dirt and scuffing. Available in four color combinations—cherry with ivory trim, burgundy and ivory, pastel green with red and navy blue with burgundy. Mat finished plastic covering may be restored to new-like appearance with damp cloth, maker states.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

• • •

"Reads" Price Tags

Electronic business machine is said to "read" small tags and automatically translate the information to standard business machine cards, thus permitting extension of use of business machine cards to unit control system of sales and inventory. Eliminates bottleneck of manually punching cards from information appearing on price tags, sales checks, inventory cards and other forms. Utilizes special garment tags of type generally used for dresses, coats, etc., prepared on a special tag marking machine. This machine makes a two-piece tag on which same information is printed and perforated simultaneously. Perforations are pin-hole size and do not detract from appearance of tag, New York maker states. String tags are attached to garments and when sale is made, perforated stub is detached from tag and routed to the "Electronic Price Tag Reader." Stubs are then "read" automatically at high rates of speed and the information translated to standard business machine cards.

• • •

Electric Sprayer

"Vibro-Sprayer" is newly designed sprayer offered by Illinois firm for household use in spraying of enamels, varnishes, shellacs, light oils, liquid waxes, disinfectants and residual-type insecticides. Redesign involves change from metal to plastics for major parts of the assembly. Appearance is said to be much improved and good-sized sturdy handle and trigger switch simplify operation. A standard Mason-type jar thread is molded into base of the housing which makes possible the use of other standard jars. Ease of access for cleaning and repair is made possible by two screws, which are exposed when glass jar is detached, and permit removal of base of the housing. Cool operation is another feature. Heat generated by old mechanism during continuous operation raised temperature of surface to 250 deg. F. while test with the plastic housing showed highest figure reached was 160 deg. F. No extra equipment is required as it may be plugged into a standard 110-120 volt, 50-60 cycle a-c current outlet.

• • •

New Sponge

Ivalon Miracle Sponge, being distributed in Canada, is claimed to have great density which ensures high absorption, reducing dipping to a minimum. May be used in all alkalis, solvents, washing compounds. Will not tear, withstands abrasion of rough surfaces, leaves no bubbles, wipes clean like chamois, maker states. Comes in three sizes and five colors, individually wrapped in moisture-proof Pliofilm.

• • •

Display Case

Three-dimensional scene changing display case, called the "Conjurcase," demonstrates two different scenes with effect of motion picture "lap dissolve." Scenes are set on two different planes and with aid of illumination and mirror set at 45 degrees, display appears to have one scene fade while another is imposed upon it with increasing brilliance, similar to regular dissolving technique used in motion picture films. Effect is calculated to arrest the eye, New York maker states.

• • •

Matchbook Cover

"Kleerize," matchbook cover of Lumarith, an acetatic plastic, contains a treated soft fabric which can be used repeatedly to clean spectacle and photo lenses, New York maker states. Lens cleaner is displayed through lens on cover of holder, which features a pair of spectacles. Advertising to be displayed is printed on reverse side of the semi-transparent cover so that it cannot rub off.

• • •

Saws For Plastics

Special saw blades for cutting plastics are offered by English company. Manufacturer claims Eclipse spiral piercing blades are designed to cut new plastics, acrylic resins, etc. Teeth are milled to give extra sharpness. Accurately controlled heat treatment is said to ensure maximum toughness and durability. Toothed portion is spiralled to cut in any direction without clogging or binding. Ends of blades are flat to ensure firm grip by saw frame.

• • •

Magnetic Probe

Magnetic probe no larger than a fountain pen is said to be useful for removing steel or iron particles from areas where foreign matter is harmful. Can be used to remove sharp particles of steel from storage bins; to retrieve metal particles from holes and other hard-to-reach places; also useful in first-aid stations to remove steel splinters from skin of employees, Philadelphia maker states. Point of magnet can be extended or retracted from polished bakelite case by turning end knob. Magnetic strength is controlled by amount of extension.

• • •

Microscope Illuminator

Microscope attachment known as "Tri-Vert Illuminator," is offered for use in biological and metallurgical research. Provides three types of reflected illumination — bright field, dark field and polarized—and is designed to provide rapid comparison studies under the three types of illumination, Rochester maker states. Changeover from dark to a light field said to be instantaneous and controlled by a lever. A polaroid polarizer and cap analyzer provide polarized light examinations.

• • •

Electronic Micrometer

Electronic instrument, known as the Serc Electron Micrometer, is designed by New York firm for the textile industry. Instrument continuously measures diameter of textile yarns, threads and filaments. Is a diameter gauge using weightless beam of light which picks up image of material under inspection, converts it into electrical energy and amplifys resultant signal to register on meter or record on graph number of times limits are exceeded. Instrument is said to be unaffected by moisture.

• • •

Modern Style Fan

Moderately priced fan which can be used as floor, window or table model and designed to blend inconspicuously with other home furnishings, has been developed by Chicago company. Said to be capable of directing airflow in a 90 deg. vertical arc. New design is based on a molded plastic mahogany-finish cabinet-type stand in which the circulator is cradled on a horizontal axis. Guard is also of molded plastic in a lighter color. Plastics used are said to be stain resistant and durable as well as light in weight.

• • •

Paper Prevents Rust

New chemically-treated wrapping paper which prevents rust and corrosion makes it possible to rust-proof tools, engine parts, fine instruments, and other metal articles without greasing or sealing airtight. After a metal article has been wrapped in the new paper the chemical slowly vaporizes inside package and neutralizes corrosive action of moisture in the air. Chemical is supplied under trademark VPI (Vapor Phase Inhibitor). Several types of prefabricated packages may be made with VPI-coated paper such as corrugated cartons, envelopes, bags or preformed paper sheaths. Said to do away with both application and removal of grease and other protective coatings, and to ensure delivery of articles rust-free and ready for immediate use. Provides complete surface protection for periods ranging from one month to more than five years depending on tightness of wrapping, makers claim.

Sheep Creek New Mill To Start Next Month

Sheep Creek Gold Mines may have its Paradise mine in the Windermere Valley in production next month, it is reported.

A 50-ton mill is being installed. Machinery is reported in place with arrangements made for installation of a compressor unit. Work completed on the property is stated to have placed in sight some 50,000 tons of lead-zinc ore.

safety glass by
DUPLATE

for wherever protection
with good vision
is a factor

In the finest school buses, where every feature is carefully developed to give the absolute maximum of safety—there, too, you'll find Safety Glass by Duplate.

There are many types, thicknesses and strengths of Safety Glass by Duplate. Each one has been developed to provide the necessary safety and clear vision for its particular purpose. Duplate engineers are at your service to provide suggestions and data on the many uses of Safety Glass by Duplate.

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All Canadian car manufacturers use Safety Glass by Duplate to give extra safety to their products. Should you have to replace a damaged window —insist on Safety Glass by Duplate.

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Most Complete Travel System
... Canadian Pacific

Canadian Pacific Air Lines form a link in a chain of world travel service. Canadian Pacific airliners fly a network of routes in Canada, reach to the rim of the Arctic, offer wings across the Pacific to Australia. Soon, Canadian Pacific will open a second trans-Pacific air service between Canada and the Far East.

This Air Lines service is linked with Railways, Steamships, Hotels, Communications and Express to make Canadian Pacific the world's most complete travel system.

- RAILWAYS
- STEAMSHIPS
- AIR LINES
- HOTELS
- COMMUNICATIONS
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Canadian Pacific SPANS THE WORLD

1949 is the year to see your Canada . . .
ask your Canadian Pacific agent for full information.

Survey made of motorists who bought B.F. Goodrich Tires in the past year

FREEDOM FROM PUNCTURES—"I switched to B.F.G. to get the perfect tire-tube combination—long-wearing, dependable B.F. Goodrich tires and puncture-sealing B.F.G. Seal-o-matic Safety tubes."—S. E. Bilton, Toronto, Ont.

EXTRA BLOWOUT PROTECTION—"I drive 1,000 miles a week over the rough back roads of Quebec. Since I switched to B.F. Goodrich I've enjoyed complete freedom from all tire troubles." Jack E. Duvall, Ottawa, Ont.

LONGER MILEAGE—"I wanted more mileage for my money, so I switched to B.F. Goodrich. I've driven 20,000 miles and my B.F.G. tires look good for as many more."—Fred H. Landon, Fort Rouge, Man.

SMOOTHER RIDING—"My car rides smoother on B.F. Goodrich tires. They absorb more road shock yet maintain correct air pressure and need very little attention."—R. Knox Ferguson, London, Ont.

DEPENDABLE PERFORMANCE—"Seal-o-matics bought in 1939 are still in dependable service in my B.F. Goodrich tires, giving me greater safety, greater real economy, plus freedom from punctures."—H. Godley, Courtenay, B.C.

BETTER PERFORMANCE... BETTER PROTECTION
SUMS UP REASONS WHY
3 out of 5
SWITCHED TO
B.F.Goodrich
FROM SOME OTHER BRAND

ONLY
B.F.Goodrich GIVES
FREEDOM FROM
PUNCTURES

All across Canada, an independent research organization interviewed motorists who bought B.F. Goodrich tires in the past year. *Three out of five had switched to B.F. Goodrich from some other brand!*

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The Financial Post

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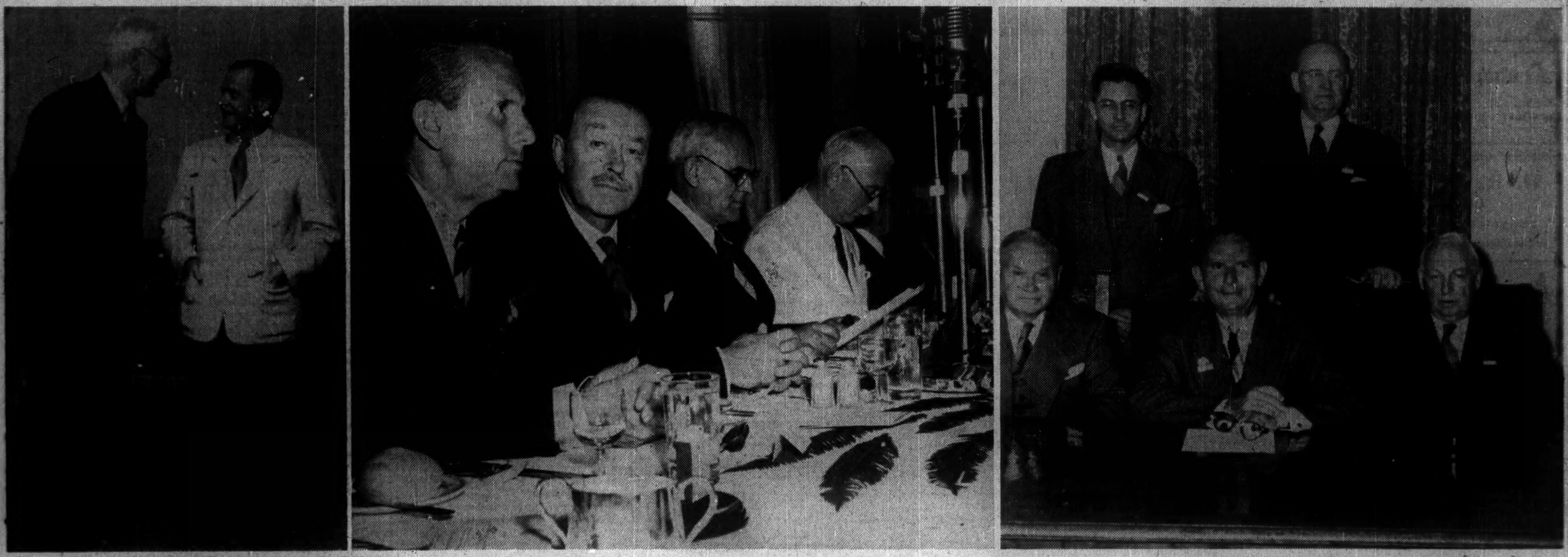
What's Our Role in World Business Forum?



Leading Canadian businessmen were hosts last week to businessmen of the world at the 12th Congress of the International Chamber of Commerce at Quebec City. AT LEFT: Sir Arthur Guinness (of U. K.) retiring president of ICC; Philip Reed, chairman of General Electric Co., president for the next two years. MIDDLE: at the opening dinner, James Duncan, president, Massey-Harris Co. Ltd., president the Canadian Section ICC; the Governor-General, Viscount Alexander; Trade Minister C. D. Howe; Sir Arthur Guinness. AT RIGHT: the executive of the Canadian Section: Standing—J. G. Nelles (left) secretary; T. B. Weatherbee, Canadian Bank of Commerce, Montreal; seated (left to right) Walter D. Jones, chairman, International Business Machines Co. Ltd. (the section's first president); Mr. Duncan; Robert P. Jellett, president, Royal Trust Company.

Will Retirement Kill You?

HOW TO RETIRE AND ENJOY IT

Don't let retirement bore you or ruin your health. Don't miss the next eight issues of The Financial Post presenting a digest of the brilliant new book, "How To Retire And Enjoy It." Helpful. Practical. Entertaining.

"Retiring is perhaps the greatest challenge to your intelligence. Why not resolve to make the most of It?"

That quotation comes from a brilliant new book "How To Retire and Enjoy it."

By special arrangement with the publishers (McGraw-Hill Co. of Canada Ltd.), The Post brings you a digest of this book in eight easy-to-read installments starting next week.

The author, Ray Giles, himself a retired businessman, has made a study of retirement problems and is a frequent contributor on the subject to top U. S. magazines. He's also an authority on insurance and annuities but his book goes far beyond the mere financial aspects of retirement.

It's a book packed also with useful, workable ideas on how to develop hobbies, interests and hidden skills, how to keep healthy, how to cut living costs. In short, it covers every aspect of careful and complete planning for the life after 65.

Whether you're in your 50's and retirement is not far off, in your 40's and maybe just thinking about what you'll do with the years after 65, or whether you're in your 30's and just embarking on the business of building up your financial backlog for old age, this book offers concrete help and useful advice.

First part, this page, next week in The Post.

There's Tragedy Ahead If You Haven't a Plan

By CYRIL BASSETT

He was a go-getter, had been a self-starter all his life. He was a top-notch executive, had lived for, on and with the job. Until he reached the age of 65. Then—it seemed abruptly—came the saw-off. He became a forcibly retired executive. Within the year he was dead.

Maybe you knew him. Chances are you did. For he was no one individual, he was the prototype of many who strut the business stage today. And it could be you.

One major Canadian company with a long-established pension plan finds that on average its men die 18 months after retirement.

Every day this year about 230 Canadians will come to the 65th milestone along the road of life. Fully half will be men. And the great majority will be abruptly uprooted from their life's work whether they like it or not, whether they're behind the executive's desk or at the factory bench.

The chances are getting fewer all the time that a man can "die in harness" as so many express the wish, taper off as the years begin to tell or retire at pleasure when they feel they've had it.

For unless you're in business on your own or in partnership or your life is spent down on the farm or in politics which sees few, if any, retirements—the order of the day in business and industry is fast becoming 100% compulsory retirement at 65 or some other predesignated age.

Few Have a Plan

Few executives, few professional men, according to the psychologists, make adequate preparation for retirement. One in four, according to some rough estimates.

"For every man who's content to wait out his pension when he reaches his late 50's, who's already slipping into part of the life he'll spend on retirement, I can think of half a dozen in my experience who've not only not made any preparation (apart from financial) but who are even hazy about the actual year forced retirement will catch up with them.

"It's pathetic to hear them kid themselves that they'll be able to hang on a few years longer at the job or talk in vague generalities about a bit of golf, a bit of gardening, some fishing, maybe a trip and let it go at that."

And how many men do you know whom that fits so well?

How many who spend their time dropping into the office almost daily, taking up your time in small talk when you're beating deadlines, or getting in your hair with often useless advice based on circumstances that no longer exist? Or mooching the stores, the gas stations, the railroad terminals, buttonholing you at the club and generally being a bore to themselves and their old friends? Or driving their wives frantic hanging around the house, like the tiresome children looking for something to do that they once were. Lonesome, pathetic figures.

Ever pictured yourself in that role?

It can happen to you. These characters can increase and multiply, to exaggerate, like rabbits.

Here's why:

1. This century has seen a progressive increase in life expectancy: in 1901 the average male child of seven (in Canada) could expect to live another 58.30 years; today that figure has increased to 62.60. And the man of 65 has an average 13¼ years more to live today.

2. The proportion of older people to the rest of the population is steadily increasing. In 1901 it was 4.8%. By 1941 it had become 6.8%.

3. The increase in compulsory retirement schemes. Compulsory retirement in business and industry generally comes about as a result of adoption of one of the group annuity policies offered by the life insurance companies.

The number of such policies in effect in Canada increased almost threefold in the years 1937 to 1947. Some 243 companies offered their staffs such assistance toward old-age security in 1937. By 1942 the figure had increased by about 50% to 363. And by 1947 this figure had more than doubled to 758.

Later figures than those given for 1947 are not yet available but judging by reports of life insurance companies on their business in this field it's likely that the 1,000 figure has been topped by now.

For not only is industry as a whole becoming more conscious of a responsibility for contributing toward its employees' old-age security but there has been, and there continues to be, constant pressure from unions to have such schemes included in union contracts.

These figures, it should be pointed out, cover only those schemes operated through life insurance companies. There are also private employer trust schemes (which, although complete statistics are not available, are known also to be on the increase) and schemes operated by unions.

And here it might be pointed out that these schemes all tend to decrease personnel turnover, so that in addition to other factors mentioned, the incentive on the part of job-seekers toward seeking this kind of old-age security in job offerings thus cements the trend toward compulsory retirement.

Retirement and planning for it then becomes increasingly one of our major personal problems.

And some of the situations arising from forced but unplanned (and often unwelcome) retirement at 65 could well become one of our major social problems.

The trend that way is getting a lot of attention in the United States these days where, on account of the great difference in size of population, it is more readily discernible.

For instance: in 1939 there were only 659 corporations in U. S. with retirement plans. Today that figure is well over 10,000. In 1940 more than a quarter of the U. S. population was 45 years and older. Thirty years hence it's estimated this proportion will have risen to two-fifths.

In the decade from 1930 to 1940 total U. S. population increased by 7.2% but the over-65's increased by 35% or nearly five times as rapidly. Today in U. S. 2,700 people are reaching 65 every day of the year and it's estimated that by 1975 this figure will have increased to 4,200. That means that U. S. will then have 20 million out of an estimated population of 185 million who will be 65 or over.

What are they saying about the retirement problem in U. S.?

Says Dr. Roger T. Lee, a former president of the American Medical Association:

"Death comes at retirement. The most intelligent of pensioners rebel when they are retired and lead a miserable existence that cuts short their span of life."

And another, Dr. Edward J. Steiglitz, chief of staff of the Bethesda Suburban Hospital just outside Washington:

"It is an axiom of clinical medicine that forcing the one-track mind executive to retire is tantamount to signing his death certificate within the year."

Pointing up these blanket statements is the experience of Dr. Lillian Martin of San Francisco who operates one of the few old-age clinics in United States to advise people over 50 on their problems of living.

One of the set of questions she asked every visitor when she opened the clinic was: Are you reasonably happy? Out of the first 200 callers only three could answer yes.

In another survey of several hundred people over 65 she found that most of them suffered most from the abrupt change from busy employment to the idleness of badly-planned retirement. Many others suffered a double shock because their interests or hobbies were too arduous for their age or could not be kept up on their reduced incomes.

A Gallup survey of the problems of old age equally showed that one of the surest ways to die before your time is to retire without having an active interest in some other pursuit. The evidence, reported Dr. Gallup, was so overwhelming he decided then and there that he would die with his boots on and at his desk.

Why 65? No One Knows

No one seems to know why 65 was picked on as the retirement age. Probably it originated with some of the earlier pension plans in British Government service.

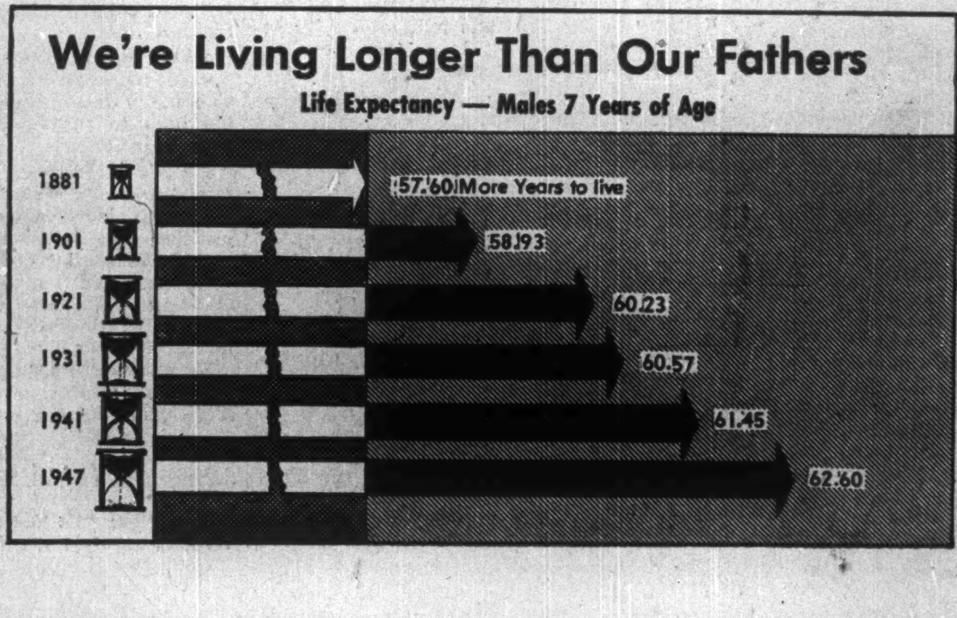
But that it is fast becoming outdated is shown again by the latest insurance companies' life expectancy tables. These show that today they are allowing that a man at 65 may have a life expectation of sometimes up to four times the expectancy they estimated even 50 years ago.

And with continuing improvements in living standards and health services, with individuals becoming more health-conscious, with a generally more enlightened individual attitude toward the science of living this expectancy can be expected to increase all the time.

That more people are beginning to realize the importance of this problem in Canada was emphasized in a Post questionnaire of readers a few weeks ago seeking formulas for successful retirement.

The Post now makes a further contribution to thought on this problem with the publication of its eight-part condensation of Ray Giles' thoughtful work, "How To Retire and Enjoy It" outlined in an adjoining column.

Here's a chance to get **your** mind working toward an answer to the question: What will I do when I retire?



We're Living Longer Than Our Fathers

Life Expectancy — Males 7 Years of Age

New Challenge to Canada In World Affairs

Canadians who attended the Twelfth Congress of the International Chamber of Commerce in Quebec City last week had a chance to rub shoulders with some of the world's outstanding business leaders.

This was the first time the ICC has met in Canada; the second time it has visited North America. In its postwar format the Chamber has become a useful and influential "world forum" for business.

As Philip D. Reed, youthful chairman of General Electric Co. and incoming president of ICC said:

"Too many businessmen the world over have considered their duty to society discharged by the profitable operation of a useful enterprise. They have failed to appreciate that they themselves, being closest to and therefore knowing most about the economic system under which they operate, have a deep responsibility to their fellow citizens to explain the workings of their system. Ignorance and apathy on economic questions are the deadliest diseases a democracy can suffer.

"Unless and until businessmen of all countries accept their responsibility as educators we shall be living on unfirm and shifting sands."

On the basis of its performance at Quebec last week, the ICC looks like one organization that could make this kind of contribution in the field of world business. Already it is an official consultant to various economic and social agencies set up by the United Nations. Its recent pronouncements at Quebec might well be listened to by individual governments.

Individual Canadians have already made their mark in world affairs in the field of statesmancraft. The Prime Minister, Lester Pearson, Norman Robertson, Dana Wilgress and others have helped fashion much of the machinery created to promote world peace and world trade. The ICC offers an equal opportunity for participation and influence by men of business and finance in their field.

Herewith a report of important discussions and resolutions at the conference.

Cheaper Pound Unwise, Ineffective

By KENNETH R. WILSON

QUEBEC CITY—Devaluation of the pound sterling at this time would be unwise and probably ineffective. That, in a word, was the view most commonly expressed by leading world business and banking authorities at the 12th Congress of the International Chamber of Commerce here.

Philip D. Reed, president-elect of the ICC put the thing in a nutshell when he noted that the "interrelationship between convertible currencies, production, internal monetary and fiscal policies, exports and prices" is very close indeed. All of these things, he said, "must be worked together and brought somewhere near equilibrium before all control of any single item can be safely and successfully dropped."

Mr. Reed went on to say that "it is at the point when approximate balance is approached, that wise judgment and not infrequently high courage is required of governments to take the right steps at the right time and in the right way."

What seemed to be generally agreed was that the "right time" had not yet come, for sterling revaluation.

One very competent world business leader said this:

"We think a lot of water must be squeezed out of British costs and prices before devaluation makes sense. The British haven't even begun to tackle this problem as yet. If they don't tackle it ahead of devaluation they may never tackle it. Even now they're probably exporting sufficient goods, not to be too greatly worried.

"But that picture may change and change very quickly. I see signs of real competition today—even within the nondollar area. If I were you, I'd watch the British unemployment index. It should tell the real story of the next six months."

Quite a number of people at this Quebec conference seemed to feel that the present price-cost differential between the dollar and the nondollar world might change quite sharply in the near future—even without devaluation.

Said one man: "Right now you are worrying about the high price of British goods. Before very long the shoe may be on the other foot. You'll be complaining about these same goods competing with your own, at equal or better prices than you can produce."

Getting the Perspective

Perhaps the most notable achievement of this ICC conference was that it put many things in proper perspective.

The main theme of the meeting was "distribution." That's not a very exciting word. But when you stop to think about it as did this world business forum last week, you realize that it covers a lot of ground.

For example: you can't have proper "distribution" unless currencies are convertible. So the conference devoted a lot of time to the problems of convertibility and monetary stability.

As well, it was recognized that the buyers' market is already here. This means a new drive on salesmanship if goods aren't to pile up on dealers' shelves. So the conference devoted considerable time to all phases of marketing—advertising, market research, retailing practice, etc.

The conference approved about 45 or 50 resolutions covering as broad a field as the future of European recovery down to an important detail like the turn-around of shipping in ports. Most of these resolutions had been hammered out by expert discussion and negotiation over the past two years; some over a considerably longer period.

The main ones appeared before the delegates in refined form for approval or amendment at Quebec. There were some amendments of course. But most of the conten-

(Continued on page 16)

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Careers for Canadians—XVIII

Rapidly Expanding Field of Opportunity Opening Up For Canadian Youth in Mining Industry Developments

By HARLOW WRIGHT

Assistant to Executive Director, Canadian Metal Mining Association

Doors of opportunity are rapidly being opened to Canadian youth in the mining industry—it's one field that's never been overcrowded. So says Harlow Wright, assistant to the executive director of the Canadian Metal Mining Association in this the 18th in The Post series, Careers for Canadians.

Extension of our mineral resources, Mr. Wright points out, will require increasing numbers of young Canadians to bring them to production.

The mining industry is rapidly opening the doors of opportunity to Canadian youth, offering to many the exhilarating adventure of the outdoors and to all a reasonable assurance of success and advancement.

In reviewing the requirements for a career in Canadian mining, it can be said that the various fields of employment assure interesting and productive opportunities for many types of personalities.

Basically, a real interest in the particular field chosen is essential for success and the qualities of loyalty, initiative, energy and ability to think constructively are desirable attributes.

Such personality characteristics as curiosity, interest in other people, sociability will not necessarily indicate success but should be considered in deciding a particular specialty.

Mental and personality requirements for specialization in one of the earth's sciences differ considerably from those required for production, economics, industrial relations, or the various fields of mineral technology.

On the academic side, an early interest and aptitude in mathematics, chemistry and physics, will indicate the scientific type of mind necessary in the profession.

The basic educational requirements are similar for all branches of industry. Fundamentally, good citizenship should be high on the list. A grounding in mathematics, chemistry and physics in the pure science field, a knowledge of the earth sciences and general engineering are essential background knowledge for the specific mineral industry profession.

University Training

While there are many men today who are leaders in the industry without university training, the trend is certainly not in that direction. A university degree in itself does not assure success. Practical experience is essential and indeed a requisite subject during summer holidays at most universities.

Summer work during undergraduate years should include underground labor, field exploration or geological survey, plant labor and laboratory or engineering. Close cooperation between the universities and mining companies and government technical branches, make opportunities available in most of these lines.

On the age-old question of studies versus extra-curricular interests of sports and social activity at university, it's emphasized that the latter should not be neglected in order to graduate at the top of the class.

In an industry in which health and strength play such important parts, exercise, both of mind and body should not be neglected. Many mining communities are in isolated localities. Contentment of management and employees alike depend greatly on off-hour activities.

Post-graduate study at Canadian or foreign universities is almost a necessity for those specializing in geology or certain branches of mineral technology. For those who intend to follow the productive side of mineral engineering, on-the-job training is probably most suitable. Nearly all Canadian mines have arrangements for post-graduate training in different types of mining. Most larger mines have programs for all graduates entering their employ, which take them through most of the branches within a year.

Field Never Overcrowded

The mineral industry is one field that has never been overcrowded. Training obtained at Canadian universities is recognized all over the world and there is a demand for Canadians from all corners of the globe.

In the past 30 years mining and metallurgical graduates comprised only 12.4% of all branches of engineering; this year they will be less than 8%.

The reason for the drop is not readily apparent. Undoubtedly existing difficulties in the gold mining industry may have led many to believe that jobs are scarce.

This year the average salary on graduation is between $225 and $250 a month, compared to approximately $220 for other industries. Future first-year earnings probably will level off to some extent as veterans complete their courses and leave the field open to younger students who complete their schooling without a break.

Future salary prospects are rather difficult to assess as they vary considerably with the type of work undertaken. Generally those who follow the production side of operations as opposed to purely technical are in a higher salary bracket.

HARLOW H. WRIGHT, 37, assistant to the executive director, Canadian Metal Mining Association, a mining engineering graduate of McGill, has held appointments with International Nickel Co. and Central Patricia Gold Mines. Before joining CMMA in 1947 he served the Dominion Government for two years as technical examiner for the Civil Service Commission in screening engineering and science applicants for appointments in the Government service. During the war he was with the Royal Canadian Navy.

At the end of 1948 the mean salary reported for all classes of technical graduates was $375 a month ranging from $300 for those three to five years out of university to $400 for those 11 to 15 years.

As the opportunities to reach supervisory and managerial levels at a younger age in mining are better than in most other industries, the mineral industry's wage level is probably higher. Salaries for this group would be about 75% above the mean reported. Outstanding men would range from $15,000 upwards.

Impetus For Development

If the Canadian economy is to expand in the next 20 years, the greatly increased need for all metals for defense and peacetime industries, coupled with the anticipated depletion of United States deposits, particularly of iron, will undoubtedly provide impetus to our mineral development.

The extension of our mineral reserves of Northern Quebec eastward to Bachelor Lake, Labrador and New Quebec, the titanium deposits at Lac Allard, the nickel-copper of Lynn Lake and various finds in the Northwest Territories will require increasing numbers in the mining profession to bring them to production.

Research in the uses of magnesium and titanium will undoubtedly open up many new metal fields, and the search for, and eventual location of uranium deposits for atomic energy will also bring new opportunities for men in the industry.

In the past, the mining industry has been able to survive bad times without too much dislocation of employment. It was gold mining that led Canada out of the last depression and carried the industry as a whole over the difficult times.

Wait Three Years to Marry

While salaries are sufficiently high to support the family of a newcomer to the industry, it is probably desirable for the novice to wait at least three years before marrying in order that he may find his particular place in the industry.

While many mining camps are in isolated areas, community life and facilities are developed rapidly once a mine is discovered. Finding a home is not as difficult as in large communities.

Mode of life in the industry varies with the type of work. Field exploration for the geologist and geophysicist often means as much as six months a year in the bush under fairly rugged conditions.

Work around a mine or plant is usually steady with periodical bouts of extra work. Normally it is a five-and-a-half-day week for administrative personnel and six-day week for those in production. During the period of development, of course, there is an urgency to get a property into production and hours may be longer.

There is no difficulty for a graduate in obtaining an opening in the mineral industry. Summer work during undergraduate years provides valuable contact with prospective employers and in recent years there has been a certain amount of competition for graduates' services.

The industry, even in the depression years, usually found a place for each year's group of graduates.

With increasing exploration and development of the mineral industry opportunities have been opening at a rapid rate. The adventure of an outdoor life coupled with the comparative certainty of success, are providing the incentive needed for young men contemplating an entry into this fascinating industry.

What's Our Role in World Business Forum?

(Continued from page 15)

tions had already been faced and compromised before last week.

For instance: the contentious question of the price of gold was given a two-year hoist to enable a thorough study to be made and reported on in 1951.

There were those at the conference who wanted the meeting to do something about gold right away. But the conference decided this wasn't something that could be resolved in a few hours. It put it high on the list for "a thorough investigation" as soon as the conference concluded.

The resolution to this effect stated: "The more or less chaotic state of affairs existing on the free and other gold markets is in itself an argument for a renewed examination of the gold problem. But weightier considerations, connected with the general trend of commodity prices, are also involved."

7-Point Program

This gold resolution was part of a seven-point program covering the ICC views on European finances. Other points included:

1. The first task is to balance budgets still in disequilibrium and at a level not beyond the economic strength of the individual countries. The ICC recommended a committee of "experienced and independent men of high public standing" to scrutinize the level of government spending and advise on ways and means of reducing it.

2. Replacement of direct physical controls by general fiscal controls by the end of this year. Greater reliance was urged on "appropriate changes in interest rates."

3. Restoration of the independence of central banks. This means "a position of independence reinforced by law giving it freedom from political interference in its management, analogous to that accorded to the administration of justice."

4. Modification of exchange rates "when taken together with appropriate domestic budgetary and credit policies." The ICC noted, however, that these reforms would have lasting effect, only "if they are set within the framework of a free 'market economy' which alone can secure a better balance between costs and prices."

5. Earmarking of counterpart Marshall Aid dollars for certain definite purposes. It was urged that for most countries these funds should now be used for capital purposes such as "cover for productive investment, redemption of debt, reconstituting monetary reserves, etc." rather than to meet a current budget deficit.

6. A change in the policy of classifying products moving into international trade as essentials or nonessentials. Appraisal of the economic value of goods and services, it was argued, "should not be left to the public authorities; should result from the free play of market forces."

The conference argued that these various measures should be treated as parts of a general program: that "reliance should not be placed on the magic effect of one single idea but on a forward movement along a broad front of national and international action."

In respect of European recovery, it concluded:

"The important thing now is to take advantage of the good prospects for industrial and agricultural production and the comparatively stable price conditions which seem at last to have been reached in order to make a rapid and decisive move towards greater freedom of trade and convertibility of currencies. More trade means bigger earnings; and these earnings will not be forthcoming if the European countries hamper trade by quantitative restrictions and exchange control. More trade means keener competition, which is a safeguard against excessive price margins and a stimulus to rationalization.

"Less exchange control and fewer import quotas mean greater freedom for the system of costs and prices, which alone can indicate what is economic to produce for export. Freer trade also means reduced costs. It has been calculated in one country that the export regulations at present in force add 5% to the cost of production. The first country to free its trade will get a differential advantage likely to enhance the exchange value of its currency.

"Finally, freer trade is the only course consistent with European co-operation. There is a danger that planning will intensify autarchy. The O.E.E.C. has warned against this and the warning should be heeded."

Justifies Gold Move

Perhaps the most notable single contribution to this subject at Quebec was the address of Sir Jeremy Raisman, now vice-chairman of Lloyds Bank, Ltd. and formerly chief adviser and monetary expert to the Indian Government. Sir Jeremy headed the Indian delegation at Bretton Woods in 1944.

He justified the Bretton Woods "dethronement of gold" by the fact that "the rise of trade unions destroyed the fundamental conditions in which the gold standard can operate beneficially." Namely: "when wages and prices are no longer flexible, the contraction of credit which may be necessary from time to time in defense of a rigid external parity does little more than create mass unemployment."

Convertibility of dollars and sterling was described by Sir Jeremy as the "lynchpin of any multilateral exchange regime." The necessary conditions for a return to convertibility he described as follows:

1. The sterling area dollar deficit on current account must be eliminated. This means either that dollar earnings must be increased at the rate Marshall Aid is reduced, or that some alternative means—such as an outflow of U. S. capital—be found for financing the gap which exists.

2. Western Europe also must solve its dollar problem and not rely on converting into dollars a large export surplus to the sterling area.

3. Inflations must be stemmed and a serious approach made to balanced budgets.

4. Trade cannot flow smoothly in its new channels "unless exchange rates are adjusted to their new equlibrium vis-a-vis the dollar."

To End Disparities

Sir Jeremy stressed that the object of a realignment in exchange rates would be to remove the present wide disparities that have given rise to "hard" and "soft" currencies and to restore once again something like a unified world price level.

"It is of course conceivable," he said, "that this result might come about without the need for devaluation of European currencies in terms of dollars, given sufficiently favorable movements in such factors as the trend of relative prices and of relative productivity.

"What is surely incontestable is that at the present moment the domestic price level inside many European countries is definitely too high to justify the exchange rates at present in force."

He laid some stress on the system of "administrative convertibility" which had grown up since August, 1947, and which "in practice, permits considerable freedom in the use of sterling for multilateral settlements."

He suggested that the extension and liberalization of this system "might usher in a new era of convertibility unheralded by any formal decision like that of July, 1947."

Even better, he pointed out, would be "a revival of confidence in sterling on a scale sufficient to render these administrative arrangements altogether unnecessary and to permit free convertibility, at any rate of new balances on capital as well as current account."

He added: "To look forward to such a revival is surely not mere wishful thinking."

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INCOME TAX

Income Tax Assessment

Recently I received a receipt for my income tax payment made April 30, with my 1948 return. The receipt is also described as an assessment notice. Does this mean that my income tax calculation as made in my return has been accepted by the department and that I can regard my 1948 income tax as now all paid-up and that I need give no more thought to it?

No, The assessment notice is not necessarily final. It has been issued before your return has been reviewed. If, when it is reviewed, it is accepted as correct you will hear no more about it. If it is amended in any way, you will then be notified.

INVESTMENTS

Kirkland Golden Gate

What has happened to Kirkland Golden Gate? Are they doing any work now? What does the present situation look like from the shareholder's standpoint?

Kirkland Golden Gate Mines suspended all work late in March, 1949. Treasury stock had previously been sold on the open market to provide sufficient funds to complete the underground drilling program.

The company hopes to resume exploration when financing conditions improve. An ore length of 280 ft. was indicated on the 650-ft. level and drilling showed continuation on the levels immediately above and below. Funds, however, are reported to be extremely low at present.

Walker-Gooderham

Please give me some information regarding Hiram Walker-Gooderham & Worts Ltd. common stock?

The common stock of Hiram Walker-Gooderham & Worts Ltd. is currently selling around $24⅛ a share where it yields about 8.29% on the basis of its current annual dividend rate of $2 a share.

Earnings per common share for the fiscal years ending Aug. 31 have been $8.62 in 1948, $6.54 in 1947, $5.28 in 1946 and $3.07 in 1945.

Earnings for the first six months of the current fiscal year are running below those of the comparable period in the 1947-48 fiscal year. They are equivalent to $4.73 a share in the six months of the current fiscal year as against $6.06 in the similar previous period. This drop in earnings, combined with the feeling that earnings for the balance of the year will continue to show a drop, is one reason for the stock selling at such a low price in relation to its earnings for the previous fiscal year.

A return of more competitive conditions in the liquor industry in the United States has been noted. Howard R. Walton, Walker's president, sated in the annual report: "In recent months there has been some indication that the market for luxuries such as alcoholic liquors was declining in the United States, where a large percentage of the company's business originates. A definite trend in this direction, coupled with continued high prices of materials used in production and bottling operations, will tend to reduce the earnings of the company from the record figure of the past year."

While more competitive conditions seem to be prevailing in the U. S. market, it is interesting to note that the total apparent consumption of distilled spirits for the first quarter of 1949 for all states was 38,469,906 gallons, only slightly changed from the consumption of 38,492,276 gallons reported for the corresponding period of 1948.

The current dividend rate of $2 a share was established by the quarterly payment of 50c a share in Dec. 15, 1948. By supplementary letters patent dated Oct. 18, 1946, the previously outstanding common shares, no par value, were split on a four-for-one basis. An initial dividend on the split stock of 30c a share was paid Dec. 16, 1946, and this amount was paid regularly quarterly to Dec. 15, 1947, when the amount was increased to 37½c quarterly or to the rate of $1.50 a year.

Working capital amounted to $93,117,965 at Aug. 31, 1948, substantially higher than its level of $51,141,468 at Aug. 31, 1942 and also substantially higher than its level of $45,020,276 at Aug. 31, 1946.

Capitalization outstanding as at Aug. 31, 1948, consisted of $28,561,000 2¾% sinking fund debentures due Nov. 1, 1966, and 2,896,016 common shares, no par value.

Dryden Paper

What are chief reasons for drop in market price of Dryden Paper Co. common stock? Do you think it might be advisable to switch out of paper stocks to oil or gold stocks for greater capital appreciation?

The decline in the price of the common stock of this company is attributed by investment men to an over-all decline in activity in the pulp and paper industry, and in particular the market for pulps. The policy of Dryden Paper Company has been to manufacture only the amount of pulp required for conversion into finished products in its own mill plus such other pulp as would permit the mill to operate at its greatest efficiency.

Starting in July, the company completed an improvement program from which it is stated that savings in manufacturing costs exceeded estimates. A new paper machine came into production in January, 1948, and at the end of last year was producing paper at the rate of 60 tons a day. The bag plant of the company was moved from Dryden, Ont. and consolidated with that of the Woods Mfg. Co., at Winnipeg under the name of the Woods-Dryden Paper Bags Ltd.

In your letter you raise the point as to whether it would be advisable to switch from the paper stock to golds, oils, etc. with a view to obtaining greater capital appreciation. While The Financial Post does not make specific recommendations on the buying, selling, or switching of stock, it could be stated as a general principle that the possibility for capital appreciation is greatest in those companies which are engaged in growing industries. In Canada both the pulp and paper industry and the oil industry appear to be in the "growth" category. The outlook for gold stocks cannot be properly assessed without reference to Government fiscal policy, not only in Canada but throughout the world.

As far as the pulp and paper industry is concerned, this could certainly be classed as a growth industry. There has been a constant and rapid development in use of products as well as paper and paperboard.

With respect to capital appreciation in general it might be pointed out that there are relatively few stocks which move counter to the market as a whole. If the market moves upward naturally the opportunities for capital appreciation are greater.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HASAGA GOLD MINES converted a 1947 loss of $245,557 into a $141,022 net profit equal to 5c a share in 1948.

In addition to 1948 recovery of $780,853 from 136,027 tons of ore for an average recovery of $5.73 a ton, $155,335 is estimated for cost-aid, bringing the over-all returns on gold produced to just under $42 an ounce.

Ore reserves showed a decline of almost 100,000 tons, as noted below, but testing of promising areas is being carried on. One of the most interesting areas is stated to be to the west on the 2,200-ft. level where President J. E. Hammell reports that indications have been secured of possible repetition or downward continuation of the large ore bodies found on the 1,800 and 2,000-ft. levels.

A total of $1,039,430 had been advanced to Starratt Olsen Gold Mines, in which a million shares of stock are held, at Dec. 31, 1948. Repayment of the loan is expected to start shortly. Current assets of $329,921 included $72,709 of marketable investments with a $667,300 approximate market value. Current liabilities of $1,124,861 included demand notes of $649,789 in addition to a $375,231 bank loan.

The New Red Lake Inn continues to be profitable but the McCuaig Hotel has been sold to the provincial government for a municipal building.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Bullion prod.	$780,853	$303,801
Less: Mkt. exp.	7,569	3,169
Oper. exp.	730,224	606,229
Add: Int. & div.	39,840	17,314
Operating profit	43,060	*305,597
Est. cost-aid	155,335	......
Sale of assets, etc.	22,459	152,891
Less: Deprec.	77,939	73,768
Dev. exp. w/o	36,202	36,202
Prov. for taxes	5,531	195
Net prof. and surp.	141,022	*245,557
*Loss or deficit.		
Earnings per Share	$0.05	d$0.08
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bullion	$40,595	$58,497
Mkt. secs.*	72,710	72,710
Est. cost-aid	67,802	......
Accts., etc., rec.	18,690	59,329
Inventories	130,124	186,298
Total curr. assets	329,921	732,834
Inv. in subs.	208,830	219,805
Due from Allied co.	1,039,430	285,000
Misc. assets	34,694	38,887
Def. dev., etc.	147,707	209,421
Bldgs. & equip.♦	329,834	348,906
Property	112,880	112,880
Total assets	2,203,290	1,585,233
Bank loan & int.	375,230	405,450
Demand notes	649,789	150,000
Accts., taxes pay.	99,842	92,376
Total curr. liabs.	1,124,861	647,826
Capital stock	601,079	601,079
Earned surplus	477,350	336,328
♦After depr. of	545,709	502,854
*Mkt. value	667,300	789,780
Working capital	■794,940	■274,992
■Excess of curr. assets over curr. liab.		

OPERATING STATISTICS

	1948	1947
Tons milled	136,027	61,346
Average recov.	$5.74	$4.95
Ore reserves, tons	274,636	371,335
Grade ($35 gold)	$5.36	$5.80

MACHO RIVER GOLD MINES reports financing agreement with Quebec Manitou Mines has been amended to provide for the immediate taking up of 100,000 shares at 20c a share, leaving balance of option unchanged. Upon issue of this block, issued capital will be 2,450,005 shares, leaving 549,995 in treasury.

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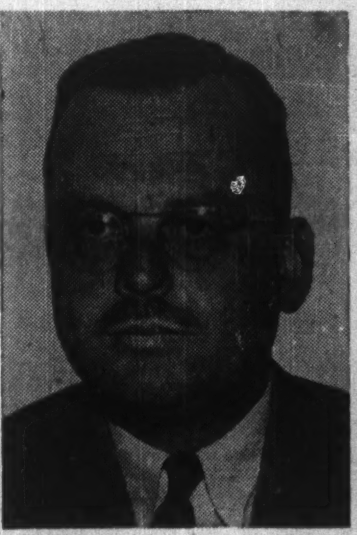

STRACHAN BONGARD

of Bongard & Co., has been elected a member of the managing committee of the Toronto Stock Exchange.

Man. Power Comm. May Use Up 41%

Manitoba Power Commission purchased and generated 14,959,900 kwh during May, an increase of 41.2% over May, 1947, General Manager W. D. Fallis states.

The sign-up of the 5,000 farmers scheduled to receive electric service under the 1950 construction program is under way, and 2,106 contracts have already been received, he states.

Construction crews got off to a good start this year due to favorable weather conditions and improved delivery of materials and over 500 extra men were employed by the commission for the construction season. Pole setting was begun in June in the rural municipalities of Bifrost, Whitemouth, Victoria, Lorne, Glenella, Turtle Mountain, Daly, Blanshard and Saskatchewan. Wire stringing crews have completed work in the areas located in the rural municipalities of Whitewater, Riverside, De Salaberry and Strathcona.

Changes to improve service for the distribution systems of Dauphin, Reston, Stonewall, Oak Lake and Ninette have been completed.

QUETIDE MINING CO. reports Norward Mining Syndicate has agreed to purchase 10,000 shares at 10c. a share and received an option on 1.4 million shares at 10 to 25c a share. Authorized capital of the company is 3.5 million shares of which 1,000,005 shares are reported issued.

Outlook Better At de Havilland

Present volume of business on the books of de Havilland Aircraft of Canada Ltd. indicates improved operations over last year, The Financial Post understands.

The company has just received a firm order for 24 Chipmunk type aircraft from the Royal Egyptian Airforce, the planes to be equipped for blind flying and all phases of training. Together with spare parts, this represents an order of around $500,000. It is anticipated that the continued interest in this plane on the part of several foreign governments will result in further orders, despite current exchange difficulties. Last of an order for 41 of these planes was delivered to India a month ago at around $12,000 a plane (with spares). The Chipmunk is now the official training plane for Indian civil aviation.

Approximately 60 Beaver type aircraft have been delivered to date, including 27 to the Department of Lands & Forests of the Ontario Government, several to three other provincial governments. This is said the most widely used aircraft in Canada today for forest fire-fighting and general bush work.

De Havilland is currently doing the overhaul and special repair work for some of the RCAF's Vampire jet planes and this business is expected to increase with greater use of this plane. The fact that the parent English company, de Havilland Aircraft Co., England, has a heavy backlog of orders for this plane and is unable to make quick delivery of spare parts has resulted in the Canadian subsidiary getting an increasing proportion of this business. In addition the Canadian company is well advanced on a manufacturing order for 100 sets of long-range fuel tanks for the Vampire. A special new building for overhaul and repair of the Goblin Jet engine and another building to house a jet engine test bed are nearing completion at company's north Toronto plant.

Volume of overhaul business on the Canso aircraft is holding at high levels. An order for eight Canso's for the RCAF for air-sea rescue work is being completed. First of an order for the Texas Co. (U.S.A.) has just been delivered. Currently some 670 are employed at the company's plants.

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**A.B.C. Publisher's Statement, 3 months ending March 31st, 1949.*

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Socialists Rebuked: Possible Cabinet changes and plans for industrial development drew continued attention to the coalition government's decisive election victory. The electorate—this time numbering well over 650,000, or about 150,000 more than in the 1945 vote, and including for the first time Japanese-Canadians, native Indians and newcomers from the Canadian East and abroad—rejected Socialism, defeating a CCF third-time bid for power, and gave the coalition government of Premier Byron Johnson 40 seats of 48 in the legislature. It had 36 in the last House. CCF, the official opposition since 1941 when the coalition of Liberals and Progressive-Conservatives was formed, elected only six members. In the last House it had 11.

U. K. Lumber Order Disappoints: Vancouver reports Britain will buy another 75 million board feet of lumber from B. C.; that the order, second in 1949, was placed in London for shipment July, August, September. Price details weren't announced but it was estimated the purchase will run between $5 millions and $6 millions and be financed with European Co-operation Administration funds. Earlier order called for 100 million feet at $7 millions for shipment first half of 1949. Industry spokesmen expressed disappointment at both volume and price of the new order. Said one: "The prices are materially below those in last year's contract."

* * *

Alberta

More Road Signs: Extension of highway traffic marking was decided on by Alberta Motor Association's provincial directors in semiannual meeting at Calgary. Provincial Government is responsible for signs on main routes; marking of secondary and feeder roads has been carried on by AMA branches in Edmonton, Calgary and Lethbridge. Each branch already has announced fairly extensive plans for new signs. Now, President H. R. Chauncey's provincial executive will push for an even larger overall program. Association membership is at record 34,251.

Pass That Peace Pipe: Proposed visit of two trainloads of Torontonians to Calgary Stampede next month is a great opportunity for Ontarians to help cement relations between Eastern and Western Canada, Toronto's Mayor Hiram McCallum told representatives of interested civic bodies. Western businessmen in many cases in the past had preferred to do business in United States because they felt they were being exploited by the East, he said. "Westerners couldn't believe it when they received such a royal welcome at last fall's East-West football final in Toronto. . . . We don't expect to be gaudy, but we're going to put on a classy performance." So will the hosts, judging by advance preparations of a special "Hail Toronto" committee.

* * *

Saskatchewan

Youth Healthier Than We Think: Saskatoon was in world health spotlight for two weeks with (a) historic first annual meeting of British Commonwealth Medical Conference, organized in London, Eng., last September, (b) Canadian Dental Association convention, and (c) Canadian Medical Association's annual meeting.

Surgeon Captain Archie McCallum, medical director-general of the Royal Canadian Navy, said Canada's youth isn't down-at-heels nor is the Dominion a C-3 nation physically. He said "a bad piece of propaganda has been allowed to prevail" for nearly 10 years. Many of the defects for which armed forces candidates were rejected weren't related to health or longevity, Capt. McCallum said.

Day before, more than 400 doctors sat comfortably, saw and heard the first two surgical operations to be televised in Canada. City Hospital 10 blocks away. Most were surprised by clarity of the black-and-white picture.

* * *

Manitoba

City Wants Annual Whoopee: Winnipeg's 75th birthday party week was so successful citizens are clamoring for more. Mayor Garnet Coulter and Alderman George Sharpe, anniversary committee chairman, reported many Winnipeggers asking for an annual event of similar kind. Among biggest moneymakers for the central fund out of which all celebration expenses are being paid were a carnival midway attended by 50,000 on opening night and an ice carnival with Barbara Ann Scott, which played to 23,000 in four nights. Both Winnipeg Symphony and Winnipeg Ballet had several thousand paying customers. But stores reported these counter-attractions had all but frozen shopping.

* * *

Ontario

Orders McKinnon Pay Fume Damage: St. Catharines florist William Wallace Walker won action in Supreme Court for damages against McKinnon Industries Ltd. for injury to flowers in his greenhouses said caused by sulphur dioxide fumes from four cupolas on the McKinnon plant 600 ft. away. (See "Smoke," The Financial Post, June 18.) Chief Justice J. C. McRuer ordered that amount of damages be set by the county judge of Lincoln; meanwhile issued injunction to prevent the McKinnon firm from discharging from its plant gas or matter which would cause annoyance to Walker. Operation of the injunction, however, was deferred until Nov. 1 to give McKinnons time to make alterations to the plant. Walker also complained that vibration from McKinnon hammers had been detrimental to growth of orchids but his lordship ruled the county judge should ignore this when setting damages.

* * *

Quebec

Laval Honors Businessmen: Nine of 13 who got honorary doctorates at 300-year-old Laval, dean of North America's Roman Catholic universities, are prominent businessmen. Robert Simpson Co.'s Chairman C. L. Burton, Aluminum of Canada President R. E. Powell and Shawinigan Water & Power's James Wilson were recipients. So were Anglo-Canadian Pulp & Paper's Elliott Little and Price Bros.' President Arthur C. Price. Fernand Bussieres, Paul Desrochers and Pierre Fugere—Quebec businessmen active in Laval's fund campaign—were awarded first doctorates in financial sciences ever conferred by the university. Hubert Biermans, Belgian-born engineer and former director of Belgo-Canadian Pulp & Paper got a social sciences doctorate.

Graduation exercises at 3,500-student, 600-teacher Laval coincided with close of $10 million campaign—which yielded $600,000 over the objective—for construction of huge new university centre on Ste. Foy plateau just outside the ancient capital.

* * *

New Brunswick

No Curfew: When Saint John discontinued its city-wide audible fire alarm signal recently, the familiar 9.15 p.m. curfew signal also was silenced. It had served as warning to kids under 16 that they had 15 minutes to get home. City councillors began to wonder whether the curfew should be ordered continued. But after talk in closed session with police and fire chiefs and judge of the Juvenile Court, decision was that children will have to get the time without signals and parents assume responsibility for getting them indoors "at a proper hour."

New Mother, Child Care: Provincial Health & Social Services Minister Dr. F. A. McGrand announced a new division of his department—maternal and child health services branch headed by Dr. Ruth McDougall, recently of Red River Health Unit in Manitoba. Nutrition services have been merged with the new division.

* * *

Nova Scotia

Varsity Radio Problem Aired: Problem of setting up mild-power broadcasting stations at and for universities was placed before National Conference of Canadian Universities at Halifax. St. Francis Xavier University at Antigonish, N.S., has asked permission to operate one run by students; President J. Nicholson said an outlet of five watts would be of trifling cost, cause no disturbance in Town of Antigonish, could give valuable training to students interested in radio technique and publicize campus events. Queen's University and University of British Columbia now operate stations intermittently. A delegate from McMaster University at Hamilton, Ont., said McMaster has applied for a license but without result so far.

* * *

Prince Edward Is.

Farmers Like Freight Aid: Since federal freight assistance policy came into effect October, 1941, 326,149 tons of western grain had been tallied into the Island at a recent count. Original rate per ton was $7.90, increased to $10.30 when freight rates went up. Converting tons into bushels would mean that over 13 million bushels had been imported, and an average of $230 of assistance given to each of P.E.I.'s 12,000 farmers. Provincial Agriculture Dept. hopes policy will be continued past June expiry date.

Newfoundland

Flood of Soap, Cigarettes: Since Newfoundland became a province, the island has been flooded with soap, soap powders, soap flakes, household cleansers, cigarettes and tobacco in variety and volume never before seen. Before union, few makers were represented in the soap line. Now, special introductory offers are being made, storekeepers vying with each other in display, and newspapers and radio round out the soap circus. Cigarette market is undergoing similar bombardment. Newfoundland had a few brands before union and several imported. Suddenly there are a dozen new brands and many shoppers are trying them.

Cabot's Ship Coin Design: John Cabot's 1497 sailing ship is proposed design for new silver dollar to commemorate Newfoundland entry into Confederation. Royal Canadian mint craftsmen, Ottawa said, have completed a trial design which shows the ship on one side and the King's profile on the other. Cabinet is expected to take the design under consideration next week. If order-in-council adopts it, 1.5 million coins will be struck carrying Latin inscription "Floreat Terra Nova"—may the new land flourish.

ELDONA GOLD MINES has received payment for 45,000 shares at 55c a share, balance of June 10 underwriting together with 1,226 shares to apply on July 10 underwriting agreement with Stuyvesant-North Ltd. Issued capital is 4,410,000 shares leaving 590,000 in treasury.

PICCADILLY PORCUPINE GOLD MINES reports that on or about May 27, 2,000 shares were sold on the open market for which the company received $210. Issued capital is 3,545,156 shares, leaving 454,844 shares in treasury.

HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO monthly load summary of primary power demands (actual loads plus cuts) for April, 1949, shows an increase of 4.7% or 97,834 kw. (131,131 h.p.) over April, 1948.

The summary also shows an increase of 4.0% or 81,809 kw. (109,663 h.p.) in total generated and purchased power.

	Maximum 20-minute Peak Kw. April 1949	April 1948	Inc. %
Primary Demands: (Actual Loads Plus Cuts)			
South. Ont. ..	1,831,924	1,793,507	+2.1
Thunder Bay .	155,717	114,936	+35.5
Nor. Ont. Prop.	205,575	186,959	+10.0
Total	2,193,216	2,095,382	+4.7
Total Generated & Purchased:			
South. Ont. .	[illegible]	[illegible]	+1.1
Thunder Bay .	[illegible]	[illegible]	+43.2
Nor. Ont. Prop.	257,580	244,059	+5.5
Total	2,146,661	2,064,852	+4.0

INTERNATIONAL URANIUM MINING CO. has sold 50,000 shares at 27c a share to H. I. Kurtz, payment for which has been received. Issued capital is 3,145,000 shares, leaving 855,000 shares in treasury.

Could your business survive the death of your partner?

There's a Mutual Life of Canada plan which makes it easier for the survivor to meet the financial problems involved in the loss of a partner. It also enables him to take over the business and assures the late partner's estate a proper value for its interest.

Call our representative and let him tell you how to protect your business against the financial strain created by the loss of partners and key men.

Protection at low cost

THE MUTUAL LIFE of CANADA
HEAD OFFICE 80 YEAR WATERLOO ONT.

Twenty-Seventh Annual Statement

Toronto Transportation Commission

December 31st, 1948

June 14th, 1949.

H. E. McCallum Esq., Mayor,
and Members of the Council
of the Corporation of the City of Toronto.

Gentlemen:

Your Commissioners submit herewith the Annual Statement of the Toronto Transportation Commission for the year 1948.

The financial results for the year were again satisfactory. Although the revenue of the system was the highest on record, with an increase of nearly $740,000.00 over the year 1947, exclusive of the Island Ferry revenue, the net income, after all expenses, was considerably lower than in 1947 due to the increased costs of providing the service.

The number of revenue passengers carried on the street cars and buses of the city system totalled 311,155,973, an increase of 3,565,035 over the number carried for 1947, or 1.16 per cent. Passenger traffic reached an all-time high in 1948.

Operating expenses for 1948 were 7.77 per cent. greater than for the preceding year, and were also the highest on record. This increase in expenses reflects the continued expansion and improvement of the transportation services, higher wages and other benefits for the employees of the Commission, and increases in the cost of materials and supplies.

During 1948 your Commission acquired and placed in service two hundred and sixteen new vehicles including street cars, electric trolley coaches, motor buses and coaches. Additional equipment on order at the end of the year included one hundred street cars, thirty motor coaches and one ferry boat, which equipment will cost the Commission nearly $5,000,000.00. Of this total twenty motor coaches have been received in 1949 up to the date of this report.

The operation of Gray Coach Lines for 1948 was also carried on with satisfactory results. The total gross revenue was by far the highest for any year in the experience of the Company. Because of additional service and increases in the cost of labour and materials, operating expenses increased more than the revenue, however, and the balance of income available for dividends and surplus was $58,503.27 as compared with $124,902.06 in 1947.

Effective January 1st, 1948, your Commission assumed financial responsibility for the Island Ferry operation, which had a deficit of $84,701.88 for the year. The burden of this service heretofore had been borne for twenty years by the taxpayers.

Your Commission is continuing to improve the system in every possible way. During the last two years expenditures of eleven million dollars have been made for new equipment and other improvements. For 1949 additional capital expenditures of about $6,500,000.00 have already been approved, exclusive of the Rapid Transit project.

Plans for the Rapid Transit system have been fully outlined in previous Annual Reports, and your Commission is now able to report that actual construction will in all likelihood get under way during 1949. Conditions in the construction industry are much more favourable than at any time for the past few years, and materials and supplies are more readily available.

Tenders have been invited for the first sections of the Yonge Street Rapid Transit project on Front Street from the Union Station to a point just north of Carlton Street on Yonge Street, and if contract prices are acceptable actual construction work should start in September.

Progress is also being made in the purchase of land required for the section of the Rapid Transit lines on private right-of-way. The construction of a main trunk sewer on Victoria Street, between Carlton and Yonge Streets, to replace the existing sewer on Yonge Street has been completed, and work on the temporary diversion of the main gas supply line on Front Street is also in progress. This will allow actual subway construction to proceed without interruption.

The work of constructing this greatest single improvement to the transportation system ever undertaken by the Commission will of necessity cause some inconvenience. The benefits to be gained, however, are so great and far reaching that the Commission is confident every one affected will co-operate to the fullest possible extent. From experience in other cities, it is believed that disturbance to general business will be very much less than anticipated by many individuals. Certainly every possible effort will be made by the Commission and its contractors to minimize such interferences.

Your Commission is hopeful that by the end of the year 1953 the Yonge Street subway line will be in full operation, with Yonge Street and Avenue Road free of all tracks and street car operation.

Further particulars of the operating results for 1948 are referred to in more detailed form in the Annual Report made by the General Manager to the Commissioners, which is approved by them and transmitted herewith.

The books and accounts of the Commission for the year have been audited by Messrs. Price, Waterhouse & Co., and their certificate is attached to the financial statements accompanying this report.

Respectfully submitted,

WM. C. McBRIEN, Chairman.
WM. CROFT, Vice-Chairman.
W. G. RUSSELL, Commissioner.

H. C. Patten, General Manager, supplemented the financial statement as at December 31, 1948, with the following comments:

INCOME ACCOUNT:

Gross Revenue of the Commission from all sources, exclusive of the Island Ferry service, was $25,542,866.12 for 1948. This compares with $24,803,830.51 for 1947, an increase of $739,035.61. The gross revenue for 1948 was the highest for any year in the history of the Commission. There has been an increase over the preceding year for each of the last thirteen years.

An analysis of the increase in gross revenue of $739,035.61 in 1948 shows an increase of over $289,000.00 in passenger revenue on the city street railway and feeder bus system, and an increase of over $544,000.00 in passenger revenue of Gray Coach Lines. The interest earned on invested funds and bank balances in 1948 decreased about $100,000.00, and the revenue from sundry other sources increased about $6,000.00.

A comparison of the total expenses of operation of the consolidated system in 1948 with the expenses of 1947, exclusive of the Island Ferry operation, shows an increase of nearly $1,733,000.00, or 7.77 per cent. Operating expenses reached a new high for 1948, and the increase reflects the cost of providing more and better transportation service, the cost of higher wage rates and other benefits granted to employees, and the increased cost of materials used in maintenance of the system.

An additional item of expense for 1948 was the deficit of $84,701.88 from the operations of the Island Ferry service. After many years of negotiation with the City of Toronto, the Commission agreed to take over the operation and assume financial responsibility for this special service as of January 1st, 1948. The Island Ferry service will undoubtedly continue to be a serious financial burden on the main transportation system.

The annual mileage of service provided the public in 1948 by street cars, buses and trolley coaches was the highest of any year in the Commission's history.

BALANCE SHEET:

The Balance Sheet as of December 31st, 1948, which accompanies this report, again shows the sound financial position of the Commission.

Capital Assets in Road and Equipment, including Gray Coach Lines and the Island Ferries, were $66,402,212.67, as compared with $61,247,302.58 at the end of the year 1947, an increase of over $5,155,000.00.

GRAY COACH LINES, LIMITED:

All of the city and interurban transportation services of the Commission carried on at special rates of fare, separate from the city street railway and feeder bus system, are operated by its subsidiary company, Gray Coach Lines, Limited.

The financial results of the Company for 1948 are included in the consolidated statements accompanying this report, and are also shown in separate statements attached hereto.

As compared with 1947, the results for 1948 were as follows:

	1947	1948
Gross Revenue	$4,811,894.97	$5,339,438.90
Expenses of Operation, Maintenance, Depreciation and Taxes, etc.	4,686,992.91	5,280,935.63
Balance of Income before Dividends and Appropriations	$ 124,902.06	$ 58,503.27
Dividend at 5 per cent. paid to Toronto Transportation Commission	50,000.00	50,000.00
Balance of Income	$ 74,902.06	$ 8,503.27
Appropriated for Reserves	40,000.00	......
Balance of Income carried to Accumulated Surplus	$ 34,902.06	$ 8,503.27

The results of Gray Coach Lines operation for 1948 were not as satisfactory as for the preceding eight years. Although the total gross revenue was by far the highest for any year in the experience of the Company, the balance of income available for dividends and surplus was the lowest since 1941.

Gross Revenue was $5,339,438.90, an increase of $527,543.98, or 10.96 per cent. when compared with the year 1947. Operating Expenses, including depreciation and taxes, increased $593,942.72, or 12.67 per cent. due to increased service on all routes, higher wages and taxes, and greater cost of replacement parts.

Sixty new passenger coaches were received, and twenty-seven coaches were scrapped or sold during the year.

The Company had on order on December 31st thirty coaches, 20 of which have been received at the date of this report.

CONCLUSIONS:

The year 1948 was a very active one for the Commission. Many outstanding improvements to the system were made, and undoubtedly met with public approval, for the volume of passenger traffic was the highest in the Commission's experience. The passenger traffic for 1949 at the date of this report is continuing to show an increase over the same period of 1948. The general activity of business in Toronto is at a high level. There is little unemployment. But the trend of economic conditions is always difficult to predict.

With the expansion of the population in the metropolitan area the Commission is faced with many difficult problems. The average length of ride is increasing. The costs of giving service have gone up enormously. The margin between revenues and expenses is continually narrowing. A serious change in the present favourable economic conditions could easily reverse the good financial results of 1948, and make the consideration of obtaining higher revenues a possibility. In the meantime, the Commission believes that it should continue its efforts to improve the service to the limit of its financial ability.

The most important improvement ever undertaken by the Commission will be the commencement of the actual construction of the Yonge Street subway line of the Rapid Transit project in 1949. Tenders have been asked for the construction of this subway from Front and York Streets to Yonge and Carlton Streets, and a large number of contractors, Canadian, American and British, are preparing bids. Should the price be acceptable, the actual start of this work will most likely take place about the first of September this year.

It is inevitable with a construction work of this nature and magnitude that considerable interruption to the normal everyday activities of business and traffic will be experienced for short periods on the line of work and in its vicinity, and the Commission earnestly asks for the patience and full co-operation of all concerned. It is particularly important that the municipal authorities, the Board of Trade and commercial organizations affected in the down-town area co-operate to the fullest extent. The Commission will do everything possible to make sure that the least interruption and inconvenience is experienced.

It is requested that the public generally be patient during the construction period. The car riders on the Yonge Street route will naturally be particularly affected, but diversions of the service have been worked out to provide a minimum of inconvenience.

The vast improvement in service, in time and convenience to our patrons that will result from the completion of the subway can hardly be over-estimated. Nor can the benefits therefrom to the citizens generally, flowing from the amelioration of traffic congestion, the stimulation of business, the improvement in property values and the stabilization of civic assessments be easily overstated.

I wish to express on behalf of the officials and myself sincere appreciation to all the men and women who during the years have carried on this important and essential service, and who have built up an enviable record of loyalty and devotion to duty. It is through their efforts that the Commission's high standard of service has been maintained and advanced.

Thanks are also extended to the Toronto Civic Authorities, to all Civic Authorities in the other municipalities in which the Commission operates, to the Ontario Municipal Board, the Department of Highways of the Province of Ontario, the City Planning Board, the Board of Trade, and other organizations, and to the Public for their continued support and co-operation.

TORONTO TRANSPORTATION COMMISSION AND GRAY COACH LINES, LIMITED

Consolidated Balance Sheet December 31, 1948

ASSETS

CAPITAL ASSETS:		
Road and equipment, at cost, including land, buildings, power distribution system, track-work, rolling stock, buses, ferry boats, etc., and the rapid transit project	$66,402,212.67	
Mortgages Receivable on property sold ..	56,857.62	
		$66,459,070.29
INVESTED FUNDS:		
Held for equipment renewals, and for modernization and expansion of the system—temporarily invested in Dominion, Provincial and Municipal bonds, having a market value of $15,515,388		15,340,311.73
CURRENT AND WORKING ASSETS:		
Inventories of operating supplies valued on the basis of cost, as certified to by the management	$ 2,185,443.09	
Working funds advanced to agents, conductors, etc.	525,042.00	
Unexpired insurance premiums, etc.	76,263.52	
Trade accounts receivable, less reserve of $2,794.63 for estimated losses	497,079.00	
Interest accrued	81,714.79	
Cash on hand and in banks	1,403,062.81	
		4,768,605.21
NOTE: The outstanding debentures shown on the above balance sheet include debentures having a par value of $3,130,000.00 in Canadian dollars, which are payable serially up to 1952 as to principal and interest in United States funds, at the holder's option. A reserve of $554,921.10 for foreign exchange is carried in respect of whatever premium the Commission may have to pay in connection with these debentures		$86,567,987.23

LIABILITIES AND RESERVES

CAPITAL ACCOUNT:			
Corporation of the City of Toronto:			
For debentures issued for transportation purposes		$42,123,126.10	
Less: Debentures redeemed to December 31, 1948..	$35,908,126.10		
Accrual for redemption of debentures which mature in 1949	807,416.67	36,715,542.77	
			$ 5,407,583.33
RESERVE FOR DEPRECIATION AND AMORTIZATION OF CAPITAL ASSETS..			46,537,857.33
OTHER RESERVES:			
For redemption of outstanding tickets....		$ 430,334.06	
For workmen's compensation and public liability		2,014,594.04	
For foreign exchange		554,921.10	
For modernization and expansion of the system		14,550,000.00	
For contingencies		3,840,007.93	
For revenue (fare) stabilization		3,800,000.00	
			25,189,857.13
ACCUMULATED SURPLUS			5,273,304.91
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities..		$ 2,893,144.27	
Balance of 1943 and 1946 provisions for traffic improvements, payable to City of Toronto, as expended		444,055.26	
Accrual for debenture interest		14,768.33	
Accrual for redemption of debentures....		807,416.67	
			4,159,384.53
			$86,567,987.23

Comparative Consolidated Income Account

	1947	1948
REVENUE:		
Passenger Earnings		
Railway and bus transportation	$19,069,429.97	$19,358,742.81
Motor Coach transportation	4,653,899.51	5,197,954.90
Interest on invested funds, bank balances, etc.	545,717.30	445,262.23
From sundry other sources	534,783.73	540,906.18
Gross Revenue	$24,803,830.51	$25,542,866.12
EXPENSES:		
Cost of electric current, including maintenance and operation of substations	$ 1,261,420.96	$ 1,415,855.07
All other expenses (except those dealt with below) including maintenance, repairs, taxes and administration	17,466,711.25	19,410,250.10
Provisions for:		
Depreciation and amortization	2,830,047.24	2,659,917.77
Workmen's compensation and public liability	747,000.00	552,000.00
Total Expenses	$22,305,179.45	$24,038,022.94
Less: Island Ferry Deficit	....	84,701.88
Balance of Income before interest and appropriations	$ 2,498,651.06	$ 1,420,141.30
Interest on debentures	489,274.17	399,053.33
Balance of Income	$ 2,009,376.89	$ 1,021,087.97
Deduct:		
Appropriated to the following reserves:		
Contingencies	$ 40,000.00	....
Revenue (fare) stabilization	700,000.00	....
Modernization and expansion of the system	1,000,000.00	900,000.00
	$ 1,740,000.00	$ 900,000.00
Balance of Income for the year, carried to accumulated surplus	$ 269,376.89	$ 121,087.97

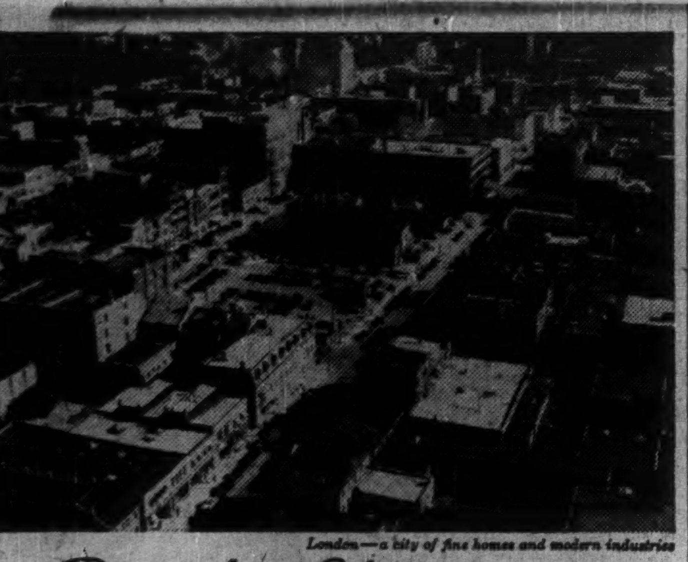
Comparative Consolidated Income Statement

	Gross Revenue	Expenses including Depreciation	Balance of Income	Debenture Interest
1921 (Four months)	$ 4,071,969.73	$ 3,260,103.50	$ 811,866.23	$ 474,900.77
1922	11,651,512.49	9,695,834.54	1,955,677.95	1,580,774.53
1923	11,852,334.63	9,489,099.21	2,363,235.42	[illegible]
1924	11,709,695.48	9,330,270.56	2,379,424.92	2,342,237.45
1925	11,626,658.70	9,310,775.55	2,315,883.15	2,207,819.39
1926	12,050,304.23	9,679,858.08	2,370,446.15	[illegible]
1927	12,635,320.15	10,150,206.14	2,485,114.01	2,180,458.26
1928	13,269,718.47	10,889,778.00	2,379,940.47	[illegible]
1929	14,498,624.12	11,897,145.91	2,601,478.21	2,124,796.66
1930	14,068,379.51	11,838,503.35	2,229,876.16	[illegible]
1931	12,800,638.67	11,048,813.68	1,751,824.99	1,925,703.50
1932	11,243,785.48	9,719,141.50	1,524,643.98	1,860,956.72
1933	10,293,212.46	8,887,177.62	1,406,034.84	1,754,280.09
1934	10,570,097.77	9,129,159.49	1,440,938.28	1,681,218.71
1935	10,516,795.96	9,079,957.70	1,436,838.26	1,611,647.06
1936	10,650,096.34	9,119,506.53	1,530,589.81	1,518,512.69
1937	10,900,677.59	9,231,746.68	1,668,930.91	1,423,047.50
1938	11,047,066.49	9,609,047.10	1,438,019.39	1,342,992.50
1939	11,229,117.87	9,856,888.54	1,372,229.33	1,267,284.99
1940	12,210,884.76	10,370,644.80	1,840,239.96	1,163,106.67
1941	14,368,501.08	11,699,793.09	2,668,707.99	1,029,818.33
1942	18,011,328.27	13,926,325.55	4,085,002.72	942,469.17
1943	20,361,375.81	16,136,202.75	4,225,173.06	840,675.00
1944	21,813,848.37	16,423,831.77	5,390,516.60	751,624.18
1945	23,032,249.87	17,486,650.72	5,545,599.15	653,855.84
1946	24,503,516.89	19,783,923.60	4,719,593.29	573,327.50
1947	24,803,830.51	22,305,179.45	2,498,651.06	489,274.17
1948x	25,705,327.62	24,283,686.32	1,421,641.30	400,553.33

x—Island Ferry figures included in the respective columns.

General Statistics—1948

Revenue passengers carried—City System	311,155,973
Transfer passengers carried—City System	185,713,645
Revenue passengers—City System—normal week day......	960,000
Transfer passengers—City System—normal week day......	495,000
Passengers carried—Gray Coach Lines, Limited	19,358,053
Car, bus and trolley coach miles—City System	38,684,331
Coach miles—Gray Coach Lines, Limited	11,828,869
Car, bus and trolley coach miles operated—City System—normal week day	117,000
Coach miles operated—Gray Coach Lines, Limited—normal week day	31,500
Miles of single track owned and operated	235.31
Bus and coach route miles	1,274.61
Trolley coach route miles	14.41
Number of street cars owned	954
Number of buses and coaches owned	577
Number of electric trolley coaches owned	85
Number of ferry boats owned	9
Longest direct trip—City System—miles	12.00
Longest single route—City System—miles	10.04
Fares (within city limits):	
Adults	10c cash—4 tickets for 25c Books of 32 tickets for $2.00
Children (not over 53½" in height) 3c cash—	10 tickets for 25c
Scholars	7 tickets for 25c
Transfers	Free between all routes within City
Night Fares	Same as day fares
Average Fare—City System	6.157c
Annual electric power consumption in kilowatt hours.....	105,087,369
Annual gasoline consumption—imperial gallons	3,491,000
Number of regular employees	5,932
Annual payroll	$15,381,492
Population:	
Within city limits	695,000
Greater Toronto—estimated	1,015,000
Toronto citizens residing within 2000 feet of T.T.C. services	99.5%
Toronto citizens residing within 1000 feet of T.T.C. services	89.1%
Automobile registration, City of Toronto (1948) estimated..	144,000
Persons per automobile, City of Toronto (1948) estimated..	4.83



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Canadian Pacific

Farmers Borrowing More Freely Under Farm Improvement Loans Act

Canadian farmers are making good use of the borrowing facilities provided for them under the Farm Improvement Loans Act, bankers report. Total amount loaned in 1948 was ahead of the 1947 total and 1949 borrowings to date are estimated to be well up to the figures at this time a year ago, may be considerably higher.

The primary purpose of the Farm Improvement Loans Act has been described as an effort to fill a gap in the Canadian credit system to meet the needs of agriculture. It was aimed at providing intermediate and long term credit for farmers under more convenient terms and conditions than existed formerly.

Loans may be obtained for periods up to 10 years, the maximum loan that may be outstanding at one time to any one farmer being $3,000. Interest is payable at 5%.

These loans are made by the chartered banks which are guaranteed against loss by the government up to 10% of the aggregate principal amount of loans made by each bank. The government's liability is limited to an aggregate principal amount of $250 millions in loans by all banks over six years. The act came into operation in 1945 to be effective for three years. In 1948 it was extended for another three years.

It extended the powers of the banks by authorizing them to take as security a lien on implements and equipment purchased by borrowed funds, or a mortgage on the farm property. This authority to take a mortgage on a farm property marked a new departure in Canadian banking and is permissible only on loans under the FILA.

All kinds of farm improvements can be financed under this act, such as building or improving a farm house, purchasing new machinery or equipment, construction of a granary, barn, housing for farm help, purchase of livestock, fencing or drainage work, etc.

The longer term for which the loans may be made, replaces the old type of loan which was usually made for a matter of months. When the act was introduced, in 1944, then Finance Minister J. L. Ilsley indicated that one of the main objects was to make farm life more attractive by enabling farm residents to have many of the comforts and conveniences enjoyed by urban dwellers.

Loans which have been made include those for purchase of new machinery, construction of tobacco kilns, purchase of tractors, combines and harvesting machinery. Purchase of the last three items has been the reason for many of the loans in the last few months. Other loans have been made to enable farmers to buy livestock and in some cases to drain or clear land.

Bankers say that one peculiar thing is that the volume of borrowing seems to vary among districts, some districts showing a general tendency among the farmers to borrow, others reporting very little tendency that way.

In the annual report of the FILA, loans for the purchase of farm implements and farm trucks constituted 87.7% of all loans made, with a total value of $26,759,107. This represents an actual sales volume of $45,419,094 for farm implements and farm trucks, the report adds.

Approximately 46.1% of all tractors sold in the Prairie Provinces, were financed under this act, 45.4% of all combines and 63.4% of all threshers. In the whole of Canada approximately 28.9% of all tractors were financed under the act, 40.9% of all combines and 38.9% of all threshers. Some 26,711 farmers used the act for the purchase of farm implements and trucks, the report states. The report adds that the wide use of the act by the farmers for these purposes indicates "that the act is not only reducing the cost to farmers of obtaining temporary financing for this purpose but is also helping to reduce distribution costs to the implement companies, a fact which should be reflected in the prices of the implements themselves."

Farm building loans in 1948 at $1,350,981 were somewhat smaller than the $1,780,398 in 1947. Loans for the construction of 328 new farm dwellings represent about 10% of the total farm dwellings constructed in Canada in 1948. Loans for this purpose are expected to show an increase in 1949 as materials become in greater supply.

The report states that for the fourth successive year there have been no claims for losses. The total loans made to date under the act are $60,754,259. Total in 1948, $29,331,130; in 1947, $18,160,821.

ERIC D. SCOTT

of J. H. Crang & Co., has been elected a member of the managing committee of the Toronto Stock Exchange.

Tram Company Liable For Sudden Car Stop

Injured Party's Claim For Damages Upheld Because No Reason or Explanation Given For Driver's Action — Should Give Notice of Claim

When a public conveyance such as a street car stops suddenly without warning, and a passenger is injured, and no reason or explanation for the sudden stop is given, the operator of the street car is held responsible and the carrier company liable for damages.

That is the finding in a judgment in the Ontario Appeal Court. The justices who heard the appeal, however, gave the opinion that claimants for damages for personal injuries should give notice of their claim within a reasonable time.

A lady riding on a street car of the Toronto Transportation Commission was thrown to the floor when the driver suddenly applied his brakes and stopped the car at a Sunday stop.

No Claim For Months

It took place in January, 1948, but no claim was made until June. Nor was any complaint made to the driver of the car. The plaintiff explained the failure to give notice of action as due to her belief that she had got the worst of the accident and that "nature would take care of itself." This failure to make any claim or complaint, the court declared, put the defendant at a disadvantage in making any defense.

Justices hearing the appeal stated that usually it was possible to bring a street car to a stop without any sudden or violent jerk such as that described by the plaintiff. When the car is stopped suddenly, as in the case under review, the burden of proof shifts to the defendant to show that the sudden stoppage was justified, and was not due to negligence. All members of the appeal court stressed that due to the omission of the plaintiff to give notice of her injuries and the possibilities of her taking action, the defendant company had had no chance to investigate the circumstances and so discover a possible defense.

Defendant 80% Negligent

The defendant company called no evidence at the trial when the jury found it 80% negligent.

In dismissing the appeal against the judgment of the trial court, the three appeal justices stressed that "a claimant should be placed under the obligation of giving notice in cases such as that now before the court."

Sudden stopping itself does not necessarily constitute negligence if any good reason or explanation can be given, the court indicated.

BANK OF CANADA

	June 15 1949 $	June 8 1949 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,262,837,991	1,265,,877,540
Deposits: Dom.	115,331,560	125,671,627
Chart. banks	374,548,736	567,931,224
Other	64,305,742	60,144,494
Total deposits	754,186,038	753,747,345
Liabs. payable in sterling, U.S.A. and for'n gold currencies:		
(a) to gov. of Can.	50,311,450	63,022,669
(b) to other	322,626	322,627
Total	50,634,076	63,345,296
All other liab.	16,715,071	15,463,096
Total liabs.	2,099,423,543	2,113,483,644
Assets		
Sterling & for'n	45,634,076	58,345,296
Other currencies	103,136	81,019
Total	45,737,212	58,426,315
Subsid. com.	267,092	280,665
Investments:		
Govt. sh. term	1,376,274,579	1,172,011,832
Other gov. sec.	626,442,609	831,038,973
Other secs.	5,000,000	5,000,000
Total invest.	2,007,717,188	2,008,050,805
Total share cap. at cost	25,000,000	25,000,000
Premises	3,306,774	3,183,107
All other assets	17,395,277	18,542,752
Total assets	2,099,423,543	2,113,483,644

Staff Changes

The chartered banks announce the following staff changes:

Montreal:

G. E. HERVEY, special representative, head office, to be assistant superintendent, business development department, head office.

G. V. ADAMS, special representative, foreign department, head office, to be special representative with headquarters in the superintendent's department, Calgary.

R. M. ALLAN, assistant manager, Yonge & Queen, Toronto, to be manager, Earlscourt, Toronto.

R. J. MITTON, accountant, St. Lawrence Market, Toronto, to be assistant manager, Yonge & Queen, Toronto.

• • •

Nova Scotia:

H. J. LAIDLAW, to be manager, Winnipegosis, Man.

J. C. ROBINSON, to be manager, St. George St., Moncton, N.B.

A. L. BAILEY, to be assistant manager, Saint John, N.B.

E. L. NORTON, to be accountant, Saint John, N.B.

G. M. SMAIL, to be accountant, Davie & Granville, Vancouver, B.C.

J. R. RUEL, to be manager, Longueuil, Que.

E. WHEELER, to be manager, Lethbridge, Alta.

G. W. G. WILLIAMSON, to be manager, Kitchener, Ont.

W. R. LAIRD, to be accountant, Saskatoon, Sask.

L. E. TEMPLEMAN, to be assistant accountant, Regina.

• • •

Royal:

H. D. SMITH, Edmonton, to be manager, Redwater, Alta.

H. A. RICHARDSON, manager, Hillsburg, Ont., to be manager, Orangeville, Ont.

E. C. MAXWELL, manager, Orangeville, Ont., to be manager, Cooksville, Ont.

E. M. JACQUES, manager, Dunnville, Ont., to be manager, Keele St. & St. Clair Ave., Toronto.

J. O. WHITE, head office, to be assistant manager, Beaver Hall, Montreal.

A. S. DAWE, Sherbrooke & Hampton, Montreal, to be accountant, Prescott, Ont.

E. G. HUMMEL, Lion's Head, Ont., to be accountant, Harriston, Ont.

E. R. G. BURGESS, Hagersville, Ont., to be accountant, Port Hope, Ont.

R. A. LECOURS, to be accountant, Spadina & College, Toronto.

W. R. ROGERS, St. Clair & Oakwood, Toronto, to be accountant, King & Church, Toronto.

D. B. C. MOORE, to be accountant, St. Clair & Oakwood, Toronto.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CHATEAU GAI WINES LTD. net profit for the year ended April 30, 1949 amounted to $86,813, off 27.2% from $119,245 in previous year. Sales in the Canadian wine industry had a general decline during the past year as a result of competition from imported wines. Despite foreign competition, however, the company still holds a substantial portion of the Canadian champagne market, President A. G. Sampson states.

A dividend of 45c per share has been declared payable June 14, 1949, an increase from 40c paid at the same time last year.

Approximately $50,000 was spent on fixed assets during the year, mainly for continued modernization of equipment at main production plant in Niagara Falls and for construction of a warehouse in Toronto. These expenditures are expected to further increase efficiency in operating and distributing.

CONS. INCOME & SURPLUS ACCOUNT Years Ended Apr. 30:	1949	1948
Net earnings	$170,681	$241,425
Less: Deprec.	33,294	34,490
Income tax	50,574	87,690
Net profit	86,813	119,245
Less: Dividends	79,800	68,400
Surplus for year	7,013	50,845
Earnings per Share and Dividend Record:		
Common	$0.76	$1.05
Paid	0.70	0.60

COND. CONS. BALANCE SHEET As at Apr. 30:	1949	1948
Cash	$13,981	$5,527
Accts. rec.	139,626	123,657
Inventories	982,886	1,151,587
Total curr. assets	1,136,493	1,280,771
Misc. assets▲	76,946	80,694
Fixed assets*	450,829	423,131
Total assets	1,664,268	1,784,596
Demand loan	165,000	255,000
Accts., tax, etc., pay.	115,159	152,500
Total curr. liab.	280,159	407,500
Capital stock	1,071,327	1,071,327
Earned surplus	312,782	305,769
*After deprec. of	502,313	482,256
▲Incl. ref. EPT	14,430	17,054
Working capital	856,334	873,271

MEXICAN LIGHT & POWER CO. 1948 gross operating earnings improved to $20,289,113 ($19,924,091). Substantially higher expenses due primarily to higher labor costs and increased fuel cost of thermal generation more than counteracted the higher earnings so that net earnings are insufficient to provide for next annual sinking fund payment, due July 1, next. As at year end, the company had a deficit of $898,115 as against a surplus of $878,938 for 1947. Dollar equivalent of the 1948 gross earnings was seriously affected by devaluation of the Mexican peso during the year.

The company has submitted a proposal for new tariffs and it is expected that a decision will be reached and new rates published during first half of this year. New rates are held to be a basic requirement to enable reorganization of capital structure and borrowing of additional funds to complete the capital expenditure program.

Industrial development of Mexico has continued at such a pace that the installations of the company have been greatly taxed and have been operating almost constantly at peak load. Construction of a Diesel power plant on the outskirts of Mexico City with a total capacity of 30,900 kw. has made it possible to continue to meet for the time being the increasing demand.

The International Bank for Reconstruction and Development has agreed to grant a short-term credit of $10 million, repayable Dec. 31, 1949, to finance purchases of equipment to end of 1949. It was found during negotiations, however, that present capital structure precluded the granting at this time of the full long-term credit of approximately $26 millions required. Completion of the reorganization will enable the company to arrange the long-term credit, permitting refunding of the short-term credit and providing the dollar funds for completion of the program.

During the year 1,487,209,724 kwh. of electric energy was generated at the power plants of company and subsidiaries and purchased as against 1,323,974,892 kw.h. in 1947, an increase of 14.16%.

CONSOLIDATED INCOME ACCOUNT Years Ended Dec. 31:	1948	1947
Gross oper. earn.	$20,289,113	$19,924,091
Total net earn.	3,352,649	4,970,858
Less: Deprec.	2,035,000	1,844,000
Bond int.	895,256	932,241
S.f. payments	609,472	604,643
Inc. deb. int.▲	711,036	711,036
Surp. for year	■898,115	878,938

▲Charged each year but payable only to extent earned.
■Deficit.

Times Bond Interest Earned:		
After deprec.	1.47	3.35

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1948	1947
Cash	$1,977,302	$5,028,266
Investments†	1,406,424	3,564,192
Accts. rec.	3,657,058	2,942,461
Inventories	5,141,894	2,825,419
Total curr. assets	12,182,678	14,360,338
Misc. assets	476,365	413,563
Due from govt.	872,093	4,427,503
Fixed assets	117,551,151	107,979,661
Deficit	......	5,022,886
Total assets	131,082,287	132,203,951
Accts. pay.	3,600,581	3,110,019
Accr. int.	7,755,994	7,777,212
Total curr. liab.	11,356,575	10,887,231
Def. liab.	6,868,583	6,232,529
Funded debt	36,010,393	31,677,069
Depr., etc., res.	41,635,736	40,851,666
S.f. reserve	■	13,770,456
Capital stock	28,785,000	28,785,000
General reserve	14,521,642	......
Less: Deficit	*8,095,642	......

■Trans. to general reserve.
*After providing $767,160 to reduce value of Mexican Govt. acct. to Canadian funds, $1,332,481 for loss on settlement of past debt of Federal District of Mexico, and $75,000 for reorg. expenses to date.
† In 1948, included at market value, cost. $1,411,487. In 1947, at book value, market value $3,576,000.

Working capital	826,103	3,473,107

Supt. Warns Against Unlicensed Insurers

Ontario Superintendent of Insurance R. B. Whitehead has warned Ontario residents against placing insurance with or working for either the American Farmers Insurance Co. or the Bankers National Insurance Co., both of Phoenix, Arizona.

Neither of these companies is licensed in Ontario and any person soliciting or taking applications and collecting premiums for these companies is contravening the Ontario Insurance Act. A number of persons have been prosecuted for doing so, Mr. Whitehead said.

Both companies were in a list prepared by the Dominion Department of Insurance and published in The Financial Post of May 21 as having been denied the use of the Canadian mails.

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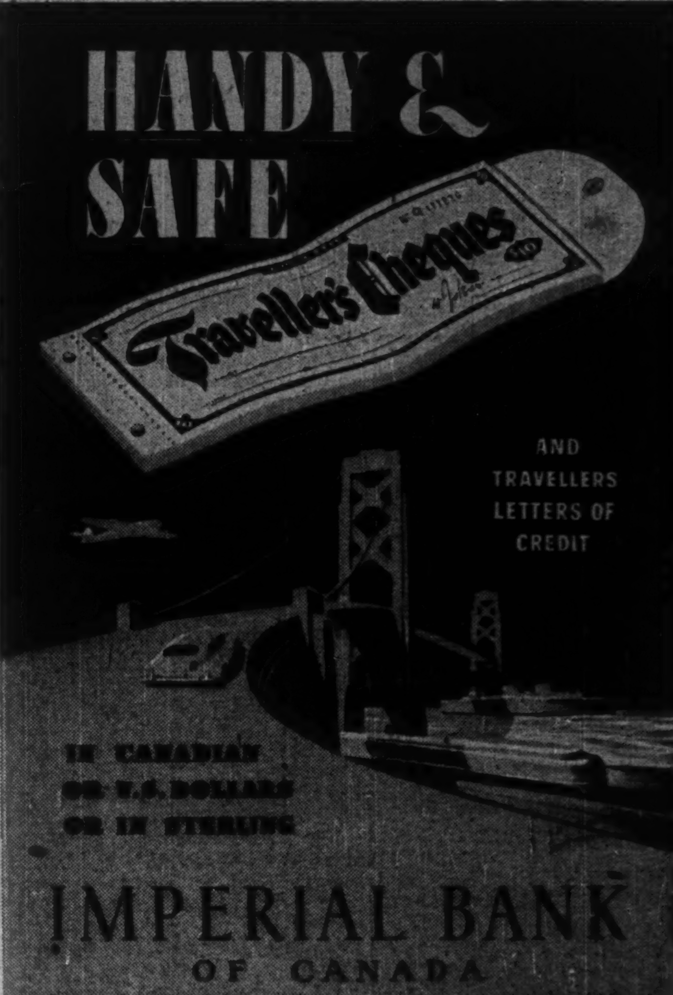

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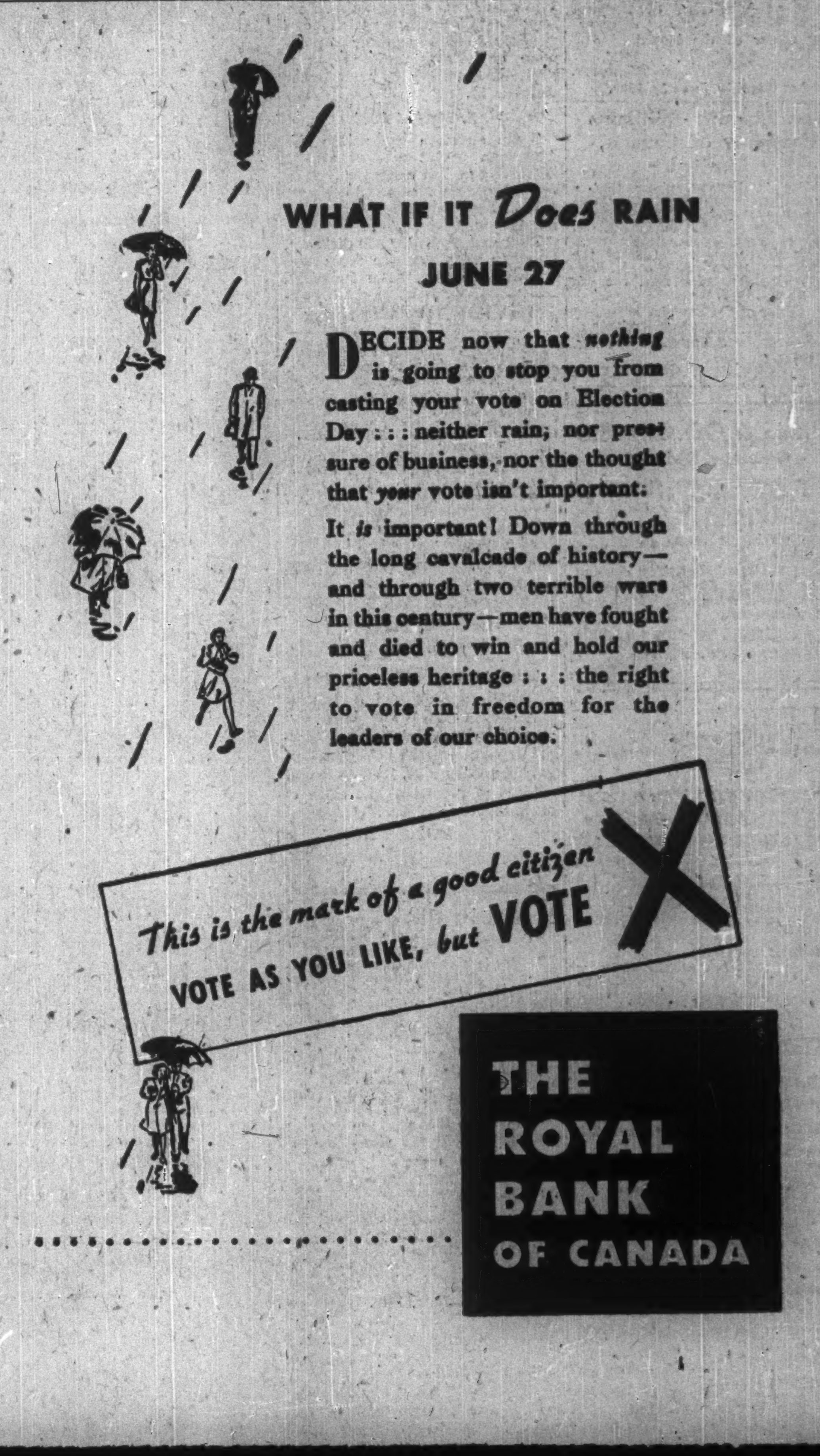

WHAT IF IT Does RAIN
JUNE 27

DECIDE now that nothing is going to stop you from casting your vote on Election Day . . . neither rain, nor pressure of business, nor the thought that your vote isn't important.

It is important! Down through the long cavalcade of history—and through two terrible wars in this century—men have fought and died to win and hold our priceless heritage . . . the right to vote in freedom for the leaders of our choice.

This is the mark of a good citizen
VOTE AS YOU LIKE, but VOTE

THE ROYAL BANK OF CANADA

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 267

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th July, 1949. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of August, 1949, to shareholders of record of the 15th July, 1949.

By Order of the Board.
A. C. ASHFORTH,
General Manager.
Toronto, 9th June, 1949.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 250

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July, 1949, and that the same will be payable at the Bank and its Branches on and after MONDAY, the FIRST day of AUGUST next, to Shareholders of record at the close of business on 30th June, 1949. The Transfer Books will not be closed.

By Order of the Board.
JAMES STEWART,
General Manager.
Toronto, 3rd June, 1949.

Fibre Products of Canada Limited

PREFERRED STOCK DIVIDEND NO. 6

Notice is hereby given that a regular semi-annual dividend of 25c. per share on the 5% cumulative preference shares, has been declared payable on July 15, 1949, to stockholders of record June 30, 1949.

By Order of the Board.
W. GOLDSTEIN,
Secretary.

N. SLATER COMPANY LIMITED

HAMILTON - CANADA

DIVIDEND NOTICE

On June 8th, 1949, the Board of Directors of this Company declared a quarterly dividend of 53 cents per share on the Preferred stock of the Company then outstanding, payable in Canadian funds on July 15th, 1949, to shareholders of record at the close of business on July 2nd, 1949.

They also declared a quarterly dividend of 30 cents per share on the outstanding common stock of the Company, payable in Canadian funds, on August 1st, 1949, to shareholders of record at the close of business on July 9th, 1949.

J. G. DAVIES,
Secretary.
June 10th, 1949.

McCOLL-FRONTENAC OIL COMPANY LIMITED

"PREFERRED STOCK DIVIDEND NO. 12"

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share being at the rate of 4 per cent per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending June 30th, 1949, payable July 20th, 1949, to shareholders of record at the close of business on June 30th, 1949.

By Order of the Board.
FRED HUNT, F.C.I.S.,
Secretary.

McIntyre Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND No. 133

Notice is hereby given that a dividend of fifty and one-quarter cents (50¼c.) per share in Canadian currency will be paid on September 1, 1949 to shareholders of record at the close of business August 2, 1949.

By Order of the Board.
W. B. DIX,
Treasurer.
Dated at Toronto, June 15, 1949.

The Sherwin - Williams Company of Canada, Limited

Notice is hereby given that a quarterly dividend of Twenty Cents (20c.) per share, for the quarter ending May 31, 1949, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable August 1, 1949, to Shareholders of record the 4th day of July, 1949.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.
Montreal, Que.
June 2, 1949.

BURNS & CO. LIMITED

Quarterly Dividend

The third quarterly dividend of 30c a share on Class "A" and "B" shares of Burns & Co. Limited will be paid July 28th, 1949, to all shareholders of record as of July 7th, 1949.

National Trust Company Limited is the Transfer Agent, with offices at Toronto, Winnipeg, Edmonton and Vancouver.

BURNS & CO LIMITED
R. J. Dinning,
President.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND No. 152

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending June 30, 1949, payable August 1, 1949, to shareholders of record at the close of business July 7, 1949.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Canada, June 15, 1949.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND No. 130

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending June 30, 1949, payable August 1, 1949, to shareholders of record at the close of business July 7, 1949.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Canada, June 15, 1949.

Wheat Price Reaches Level Fixed In British Contract

(Special Correspondence)

WINNIPEG — The Canadian Wheat Board, during the past week, made a further cut in its price for Class 2 wheat (for export to countries other than Britain) to $2 per bushel, bringing it to 5c a bushel less than is charged to Britain (although the U. K. contract price is nominally $2, an extra 5c is added to cover carrying charges).

Now that the International Wheat Agreement has been ratified by the U. S. Senate, having previously been ratified by Canada, it is assumed that beginning Aug. 1 maximum price Canada can charge to countries other than Britain will be $1.80, subject always to an additional amount to cover carrying charges.

The $2 basis, however, is to continue so far as Britain is concerned. Thus, the Canadian farmer has begun to reap some direct benefit from the U. K. contract as an offset to the price disadvantage he suffered during several years when the contract price was well below world prices.

At one time the latter price was briefly more than $3.40 per bushel. During the present year it has ranged downward from $2.40, as of last August, to the $2 price recently established.

Premium for Quality

Ever since Aug. 1, 1946, when the present wheat policy went into effect, price to countries other than Britain has theoretically been the world price, which, translated, has meant the U. S. market price.

That has not been exactly the futures price quoted at Chicago but rather that price adjusted for differentials, to take into account spot delivery and availability at different shipping points. In addition, for a time, the Canadian Wheat Board was able to exact a substantial premium on account of the superior quality.

More recently, facing all the difficulties which now exist in finding markets in countries that can pay for wheat out of resources, since Marshall Plan funds from United States are no longer allowed to be used to buy Canadian wheat, the Wheat Board has had to get its offering price on a strictly competitive basis.

From now on it may be that the Canadian price will be substantially below current prices in American markets, which, on account of government support given them, may well remain above the $1.80 level at which Canada will be committed to selling wheat for export.

The American Government, to meet its obligations under the International Wheat Agreement, may buy wheat on the open market at prices higher than those it asks for export, the difference representing a cost to the Government, and an export subsidy.

The Wheat Board will be under pressure between now and Aug. 1 to reduce its asking price. Any importing country which can possibly do so will prefer to postpone its buying until wheat is available on the $1.80 basis (after October 1).

U. S. Market Firms

Some strength came into the American wheat market at the beginning of this week because of extensive damage done to winter wheat crops in the far south during the harvest season.

Rust and several other diseases, together with damage from wet harvest weather, have impaired the quality of new grain. In addition, further extensive damage is feared because much of the newly threshed gain, has to be piled on the ground through lack of storage facilities. That fact has been given some strength to feed grain prices in United States, reflected in the Canadian market.

Further strength has been given to Winnipeg oats and barley market on account of drought conditions both in Eastern and Western Canada.

Ontario buyers, alarmed at the situation there, have been attempting to make sure of supplies. Concurrently Western farmers, over a considerable area, have ceased to deliver coarse grains, in the fear that they will need present supplies to meet their own requirements.

Each passing day accentuates the unfavorable outlook over a large part in Western Saskatchewan and the central area of Alberta. Manitoba and Southern Alberta have had sufficient rainfall to give them an excellent prospect.

Conditions in Eastern and Northern Saskatchewan are reasonably good. There are large areas, however, in the rest of the country where complete crop disaster is greatly feared and where the best possible hope, even with immediate rains, would be for only comparatively meagre returns.

DIVIDEND NOTICES

MERCURY MILLS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of fifteen cents has been declared on the paid-up no-par value common shares of the Company for the quarter ending June 30th, 1949, payable on August 2nd, 1949, to shareholders of record at the close of business, July 15th, 1949.

By order of the board.
W. ALEXANDER,
Secretary-Treasurer.
Dated at Hamilton, June 2nd, 1949.

LAURENTIDE ACCEPTANCE CORPORATION LTD.

The 39th regular quarterly dividend of One and a quarter per cent (1¼%) has been declared on the outstanding preferred stock of the Corporation, payable on July 30, 1949, to shareholders of record at the close of business July 15, 1949.

LUCIEN ROUX,
Secretary-Treasurer.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of June, 1949.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of June, 1949.

The above Dividends will be paid on Friday, the 15th day of July, 1949, to Shareholders of record at the close of business Tuesday, the 28th day of June, 1949.

By Order of the Board.
F. N. DUNDAS,
Secretary.
Montreal, 1st June, 1949.

Will Reclaim Marshlands

The Dominion Government, two provinces and private landowners are co-operating in a major land development move at the head of the Bay of Fundy.

The plan is to have the Dominion Government build an outerworks which will protect approximately 50,000 acres of marshland. The provinces of Nova Scotia and New Brunswick, in co-operation with the owners, will then proceed with development behind the main protection barrier in an effort to bring the land back into production.

J. S. Parker, agricultural engineer, will direct the work, and offices are being established at Amherst, N.S., to house the engineering staff.

OIL PRODUCTION

Head of Lakes Pipeline May Materialize Early

From Our Own Correspondent

CALGARY — Will Western Canada find itself with an oil pipeline stretching not from Edmonton to Regina, but from Edmonton to the head of the lakes, some time in 1950?

Possibilities now seem to be leaning in that direction.

Unofficial information indicates that exploring is under way by Imperial Oil of the possibility of getting steel and 20-inch pipe rolled in the United States for a line to be completed that early. The steel situation has eased considerably in the United States. It is quite possible that needed material could be secured in time for such a completion.

Talk of a 20-in. line is of extreme interest as the proposed line to Regina was to be a 16-in. line. The thought now is that oil resources have expanded so rapidly that a 20-in. line would be more feasible.

According to unofficial "guesstimates," Imperial would require an extra $55 millions to put the line right through to the head of the lakes. This might require partners.

* * *

Continental at Million Mark

By the end of June, total sales of Continental Oil Co. of Canada will probably reach or exceed the million-dollar mark, the company reports. By April 30, sales had totaled $846,014.

Three producers were added to the company's string of producers in April, bringing the total to 11; all except one are in the Leduc field.

The long-drawn-out investigation of Continental Oil Co. is stated to be nearing its end. A full report of the findings of Price Waterhouse has been sent to the Attorney-General's department in Edmonton. After the report has been examined by the Attorney-General, a public announcement is expected.

* * *

Most Northerly Program

The most northerly oil exploration yet undertaken in Alberta is being launched by Imperial Oil. Reservations of three subsidiary companies, Palcan, Canora and Tercol, covering 281,920 acres in all are to be explored. They are located west of Fort Vermilion, about 330 miles northwest of Edmonton, and within 90 miles of the Northwest Territories.

The reservations compose a strip about 40 miles by 18 miles starting five miles west of Fort Vermilion, straddling the Bover River, Perma Creek, Melito Creek and Bushe River.

The acreage is located 30 miles northeast of the reservations now being explored by Royalite Oil Co.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output and product diversity.

Lufkin Rule

Lufkin Rule Co. of Canada, Windsor, Ont., measuring tapes, board and log rules, has foundation going in at Barrie, Ont., for new $200,000 plant, one story, 29,000 sq. ft., steel, tile and brick; architect Gordon S. Adamson; contractor Dalton Engineering & Construction.

* * *

Estabrooks

T. H. Estabrooks Co., Saint John, has foundation going in for $500,000 Montreal plant, two stories and basement, 80,000 sq. ft., steel, block and brick; architects Fetherstonhaugh, Durnford, Bolton & Chadwick; contractor Anglin-Norcross Quebec Ltd. Estabrooks packs and distributes tea, coffee, etc., mainly under "Red Rose" brand.

* * *

Canadian Oil

Canadian Oil Companies, Toronto, recently began preliminary work of clearing site beside its Montreal marine terminal for later construction of a $750,000 plant to blend lubricating oil and grease. Harvey Construction Co., Kingston, Ont., is site clearing contractor.

* * *

Thermoid

Between 50 and 75 additional employees will be required before year end with completion of $300,000 current expansion at Welland, Ont., plants of Joseph Stokes Rubber Co., and affiliated Thermoid Mould & Tool Works. Lloyd J. Falkenhagen is Stokes vice-president and managing director.

Robertson Construction & Engineering Co., contractor, has work well advanced on addition 3,750 sq. ft. of manufacturing area in which Thermoid will install additional machine tools to make precision metal-working dies, jigs and fixtures for die casting, blanking, stamping and drawing operations, in addition to the present line of precision rubber and plastic molds.

Stokes, meanwhile, is starting construction of 14,000 sq.-ft. steel and brick extension where equipment, now on order, will be installed to make cord-wound clutch facings and dry-mix brake linings for the automotive industry, currently a major line with parent Thermoid Co., Trenton, N.J.

* * *

Royal Metal

Royal Metal Manufacturing Co., Preston, Ont., big maker of metal furniture is considering possible early construction of plant extension.

* * *

Wing

William J. Wing, Kingston, Ont., rivets and rivet-setting machines, starts building $50,000 plant in Gananoque, Ont., for removal from Kingston on September completion. Machinery will be from old plant mainly. One story, concrete block walls, sprinkler system; architect Logan V. Gallaher; contractor Mitchell & Wilson Ltd.

* * *

Bell Features

Bell Features & Publishing Ltd., buys vacant land adjoining its printing plant in downtown Toronto with view to possible future expansion. There is no immediate plan for development.

* * *

Mercury Industries

Mercury Industries (Birmingham) Ltd., did more than merely exhibit its bicycles at recent second Canadian International Trade Fair in Toronto. In charge of the display, local agent G. R. Helme revealed the company surveyed Toronto area possibilities as a branch plant location. Trade Fair exhibit featured a child's bicycle — strong enough for a heavy adult — similar to 500,000 exported to 62 countries.

* * *

Sweezey

R. O. Sweezey, Montreal, who with Eastern financial associates is considering construction of a 200-tons-a-day newsprint and pulp mill near Edmonton (The Financial Post, Dec. 25) is to visit the provincial capital again soon to lay his plans before the Government. Mr. Sweezey discussed four possible sites during an Edmonton visit in March. Capital cost has been put at over $14 millions and employment during full operation at about 350. Lands & Forests Deputy Minister John Harvie last week said he had a letter from Mr. Sweezey saying his group now is prepared to present a plan.

* * *

C-G-E

Canadian General Electric Co. in recent days formally opened: (a) its recently completed plastics molding plant at Cobourg, Ont., and (b) a new office and warehouse in Chicoutimi, Que., to serve the Lake St. John district. Cobourg plant was completed and put into operation last year. At Chicoutimi about 150 businessmen from the rapidly expanding Saguenay industrial region attended opening ceremony and inspection.

C-G-E is completing 80,000-sq.-ft. machine-shop unit at Peterborough, Ont., plant for expanded manufacture of large motors and generators.

Capital spending in 1948 [illegible] expansion and improvements [illegible] plants and warehouses [illegible] $7.7 millions, against $4.8 millions in 1947.

* * *

Moggridge

G. A. Moggridge Co., St. Catharines, Ont., gummed labels, tags, tape, recently began addition to plant, one story, 10,000 sq ft., steel and brick; architect Thomas R. Wiley, contractor Newman Bros. Ltd.

* * *

Brill Shirt

Brill Shirt & Neckwear, Toronto, will employ about 100 in Hamilton, Ont., on year-end completion of new factory under construction, about 15,000 sq. ft., steel, brick and stone; architect J. I. Brenzel; contractor James Kemp Construction. Building cost is put at about $85,000. Will make men's fine shirts, pyjamas, sports shirts.

* * *

MacFarlane-Lefaivre

MacFarlane - Lefaivre, Ltd., Montreal, leather shoes, has foundation going in for new factory unit near existing plant, three stories and basement, 25,000 sq. ft., steel, concrete block and brick, over $100,000; architect Jean Michaud; contractor Grenon Construction.

* * *

Molson's

Molson's Brewery Ltd., Montreal, last week announced contract award at about $550,000 to E. G. M. Cape & Co. for an eight-story superstructure of 'cellars" building with 4-in. cork-insulated walls of brick, air conditioning throughout without heating. Steel frame is going up by separate contract. Foundation was completed last winter by Foundation Co. of Canada. Architects are McDougall, Smith & Fleming; consulting equipment engineers Harley, Ellington & Day, Detroit. Cellars unit will cost about $1.5 millions equipped. A $3 million bottling-plant extension was completed recently.

* * *

Bonneville

Bonneville Bottling Works, Cornwall, Ont., has foundation going in for small plant addition; contractors O. Poirier & Son.

* * *

Canadian Lace

Canadian Lace Products Co., Montreal, has foundation going in for $40,000 plant and office; architects Gascon & Parant; contractor R. M. Clark Construction. Single-story building of brick, wood and steel will have floor area about 6,000 sq. ft.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., June 20, subject to confirmation and changes:

	Bid	Ask
Abenakis	3	4
Advance	3	4
Alexander	3	5
Aljo	1	2
Ama Kir	5	7
Anna'que	1½	2½
Arctic	8	10
Argonaut	1½	2
Audley	1½	3
Auterra	1	3
Aurora Y	..	9
Baker	1	1½
Barb L N	2	4
Batch R	..	30
Beaulieu	2	3
Beauriv	5	8
Bi Ore	17	20
Blondor	2	3
Bouzan	6½	8
Bour C	1½	3
Bradnor	1	3
Braminco	17	..
Br Breest	1	2
Bravo	1	2
Bright R L	2	3
B McDade	8	10
Bulldog	28	31
Burley Po	1	2½
Camlaren	3½	4½
Camray	36	39
Captain	4	6
Carricona	½	1
Cassidy	2	3
Cent M	6	7
Cock R L	2	4
Columbier	1	2
Con Chib	14	17
Con Cop	7	8
Courageo	1	2
Craibbe	5	7
Croydon	2	4
Cuyuni N	25	35
Delhi	..	12
Derlac	1½	2½
De Sant	2	4
Dickenson	14½	16
Dom Mal	1	1½
Dona Pat	1	2
Durham	7	10
Doris	1½	2½
Echo Ind	2	3
Elmac	1	2
Erin Kirk	1	2
Flicka	1	2
Forty Four	93	100
Gan Cop	3	5
Geneva L	7	9
Gilbec	1	2
Goldpac	10	15
Goodrock	1	2
Gord Lebel	1½	3
Gov Gold	3½	5
Grnd Chib	10	15
Greenlee	2	3
Grndhog	5	10
Halden	3	5
Habitant	2	3
Harp Mal	1½	2½
Hornfault	7	9
Hayes Cd	½	2
Hugh Pam	8	9
Independ	4	5
Islepines	22	26
Joannes D	1½	3
Kamlac	13	16
Ken Bay	5	7
Kenda Pe	5	7
Kenroy	½	1½
Kingdon	..	20
L Expanse	6	8
Lar-Add	1½	3
La Salle	6	7
Lavalie	2	3
Legardo	½	1½
Lennie	1½	3
Le Pine	1	5
Louvore	½	1½
Mallen R L	2½	4
Marbenor	7	9
Marquette	½	1½
Mar Bird	3½	4½
Mary Ann	1	3½
Mat Con	29	32
Metalore	2	4
Mate Yel	3	5
Miles R L	3	5
Mindus	16	18
do vt	13	16
Mink	3½	4½
Mistassini	3½	4
Moffat H	½	1½
Mohawk P	1	2
Murbell	1	2
Murmac	10½	12
McManus	4	6
McCuaig	3½	4½
Nat Mal	13	15
Nayb '45	2	4
Newcore	5	8
New Aug	14	17
New Mal	2	3
Nickel L	5	7
Nisto	37	40
N Offsets	200	250
Norbeau	50	55
Norbec	10	15
Norcourt	3	4
Norford	1½	2
Normar	2½	3½
Nortyne	1	3
Novelle P	3	4
Obalski old	2	4
do '45	7	9
Obaska	6	8
Oklend	2½	3½
Olivet	1½	2½
Opemiska	8	10
Ortona	4	5
Pascalis	13	16
Pelangio	3	4
Payne	4½	6
Phelps	1	2
Pinnacle	1	2
Poona Go	½	1½
Presdor	2	3
Privateer	13	16
Pro Divers	32	36
Quejo	3½	4
Quest	2½	4
Rand Mal	9	11
Rajah R L	1	3
Raymond	1½	2½
Randona	2½	4
Rebair	11	13
Redruth	1	3
Redwood	6	7
Richgroup	5	7
Russet	2½	4
Rhyolite	1½	2½
Salmita	2	4
Santiago	6	8
Sepha	1	2
Sheldon	13	16
S Dufault	3	5
Silv Arro	2	4
Sovereign	5	8
Skynner	1	2
Starlight	2	4
Sun Bear	3½	5
Thornhill	1	2
Tiffany	1½	3
Tobico	1½	2½
Tovarich	1½	2½
Viking	14	18
Val d'Bel	1	2
Vinray	2	3
Walcoro	2½	3½
Wesley	½	1½
West R L	1½	2½
Wilwood	1	2
Y Davids	18	20
Yelknife	140	165
do xt	135	175
Zolota	7	10
OILS		
Franco	55	60
Granleduc	21	26
Home Oil	910	935
Jupiter	10	14
Lingnora	6	8
Major Oil	3	4
Nw Ranch	2	4
Pac Oil Re	..	4
Princess	19	21
Universal	2	3
Vermilion	45	47
Westlock	9½	11

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.88	$21.82	$20.90
Hogs	33.60	32.35	29.22
Copper, lb.	.16	.17	.21½
Sugar, raw, lb.	.0528	.0535	.0470
Coffee, lb.	.27⅛	.27⅛	.26½
Hides	.24	.25½	.30 *
Weekly Indices			
U. S. Labor	154.8	156.1	165.5
Dow Jones	123.92	123.98	146.48
Fisher's	164.4	165.2	172.4
Monthly Indices			
Retail (May)†	159.5	159.3	153.3
W'sale (Apr.)	157.5	157.6	148.5
U. S. (Mar.)	158.4	158.1	161.4
Gt. Brit. (Mar.)	220.5	221.1	217.2

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Investment Trust

	Bid	Asked
Affiliated Funds	3.32	3.63
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.30	4.70
Can. Invest. Corp.	7.75	8.75
Commonwealth Int.	3.02	3.32
Corporate Invest.	7.50	8.05
Trans-Canada	12.70	....
Do. B	....	13.15

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡Sao Paulo Tram.	5%	1962	July 1	100
▲Union Gas	4½%	1950	July 20	101
■Mont Tremblant Lodge ser. A	3½-4½%	1949-59	July 15	102

‡£72,060.
▲$250,000.
■$30,000.

Government Bonds

June 21, 1949 (Supplied by Investment Dealers Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ..	♠102	102½
3	Mar. 1954 ..	♠103½	103¾
3	Nov. 1956 ..	♠103½	103¾
3	May 1957 ...	102½	103
3	Jan. 1959 ...	102	102¾
3	June 1960 ...	101¾	102¼
3	Feb. 1962 ...	100¾	101¼
1½	Nov. 1950 ...	100	100¾
3	Oct. 1963 ...	100¾	101½
3	Sept. 1966 ...	100½	101½
1½	Nov. 1949 ...	100	100¾
Dom. of Canada Bonds:			
3	June 1958 ...	102½	102¾
3½	Feb. 1952 ...	102¾	103½
3	Oct. 1952 ...	100½	100¾
3	June 1955 ...	100¾	101¼
4½	Nov. 1959 ...	100¾	101¾
3½	June 1966 ...	102¾	103½
3	Perpetual ..	†100	100¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101¾	102¾
4½	Sept. 1951 ..	■105	106½
4½	Feb. 1956 ..	■116½	118½
4½	July 1957 ..	♦118¾	120¾
5	Oct. 1969 .	*■105	106½
5	Feb. 1954 ..	110¾	111¾
5	Feb. 1970 .	*■[illegible]	107½
4½	June 1955 ..	■117	119½
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	■117½	120
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	■105	107
4	Jan. 1962 ..	■116	118
Montreal Harbour Comm.:			
5	Nov. 1969 .	■*105	106½
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64	100½	102
3½	June 1959 ...	105½	107½
3½	June 1950/72	♦101	102½
3½	June 1950/71	100½	102
British Columbia:			
2¾	Jan. 1967 ...	94	96
4½	Jan. 1969 ..	♦125	127½
5	Apr. 1954 ..	♦115½	117½
5	Sept. 1953 ...	106¾	108¾
3	Dec. 1960 ..	99	100½
4	Dec. 1957 ..	♦112½	114½
Manitoba:			
4	Dec. 1957 ..	♦112	114½
4½	Dec. 1956 ..	♦115	117½
5	Dec. 1959 ..	■121½	124
2¾	Aug. 1962/64	93¾	95¾
5½	July 1958 ...	116¾	119
New Brunswick:			
4½	Apr. 1961 ..	♦114¾	117
5	Jan. 1960 ..	♦118	120½
2¾	June 1966 ..	89	91
3½	Oct. 1960 ..	97½	98¾
Nova Scotia:			
3½	June 1956 ..	100¾	102½
4½	Nov. 1960 ..	♦118½	121
5	Mar. 1960 ..	♦122½	125
3	June 1956/58	99¾	101½
2¾	Sept. 1966 ..	93½	95½
3½	May 1960/62	100½	101½
Ontario:			
2¾	Nov. 1965/69.	94½	96
3	Apr. 1962/65.	99	100½
3½	May 1952/55	102	103
4	June 1962 ..	■116½	119
4½	June 1950 ..	102	103
4½	Jan. 1962 ..	♦121½	123½
5	Dec. 1960 ..	■124½	127½
2¾	July 1967/76	92½	95
Ont. Hydro Commission:			
4	Aug. 1957 ..	■113	115½
2¾	June 1961/71.	93¾	95
2¾	Oct. 1965/68.	94	95½
Prince Edward Island:			
4	Mar. 1951/54	101	102½
Quebec:			
3½	Mar. 1954/59.	102¾	104½
3¾	Feb. 1952/55	103	104½
4½	Aug. 1958 ...	108¾	110½
4½	Jan. 1963 ..	113¾	115½
3	Feb. 1960/62	99	100¾
4	Nov. 1950/52	102½	103½
Quebec Hydro Commission:			
3	Feb. 1969/73	97½	98¾
Saskatchewan:			
4	Nov. 1955/60.	98½	100½
5	Aug. 1958 ...	105	107
4½	Mar. 1960 ..	♦107	109½
5	Dec. 1959 ..	♦110	112½
5½	Oct. 1952 ...	104½	106
6	Mar. 1952 ..	105½	107
3	Mar. 1963 ..	90	92
3½	Nov. 1960/62	91½	93
3¾	Feb. 1960/62.	95¾	97

♠Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
■ Payable Can., N. Y. or £. *Callable at a premium.

Grain Prices

Winnipeg Grain Futures

Week to June 20, 1949

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close June 20
		Oats			
.76½	.66½	July	.75¼	.74¼	.75
.79	.62½	Oct.	.71⅝	.70½	.71⅛
.69	.66¼	Dec.	.69	.68	.68½
		Barley			
1.16	.96	July	1.14⅞	1.12½	1.14⅝
1.05¾	.93	Oct.	1.05¾	1.03⅛	1.05¾
1.02¾	.97	Dec.	1.02¾	1.00¾	1.02⅝
		Rye			
1.72	1.05⅝	July	1.32	1.27¾	1.30¾
1.55½	1.05	Oct.	1.33¾	1.29½	1.32⅝
1.34⅞	1.24⅛	Dec.	1.34⅛	1.29⅞	1.32⅞
		Flax			
4.12	3.98	July	3.99¾	3.99¾	3.99¾

Cash Quotations

	For Week June 20 High	Low	Prev. Week High	Low
Oats				
2 C. W. ..	.78⅛	.77⅜	.78⅜	.76⅜
3 C. W. ..	.78⅛	.77⅛	.78⅛	.74⅞
Barley				
1 Feed ..	1.18⅜	1.15¼	1.21⅛	1.18¼
2 Feed ..	1.17⅜	1.15	1.19⅛	1.16
Rye				
2 C. W. .	1.30⅞	1.27½	1.31⅞	1.28¾
Flax				
1 C. W. .	4.00	4.00	4.00	4.00

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GERM
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Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

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Grain Commission Merchants — Shippers and Handlers of All Grains
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Terminal Elevators in Fort William
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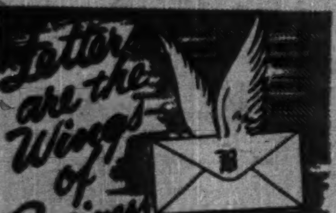
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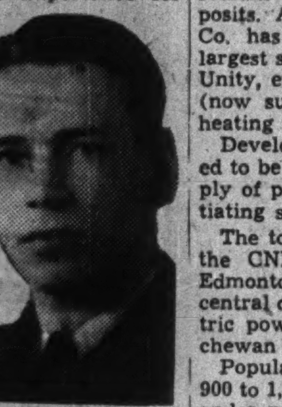
New Mineral Discoveries Hold Promise For Town of Unity


Dr. Wylie

With the largest brome forage seed cleaning plant in Western Canada, the town of Unity, Sask. holds particular importance for the farming community in its constant search for better yields and lower costs. And Unity has long been famous for its perennial brome grass.

Add to this recently-discovered natural resources, now in the process of being developed and it will be understood that boosters of Unity are looking forward to an era of steady growth for the community.

These developments arose from a search for oil in the district started in 1943 but so far unsuccessful. Uncovered in the search however were natural gas, sodium chloride and potash deposits. As a result, Prairie Salt Co. has established one of the largest salt plants in Canada near Unity, employing the natural gas (now supplied to the town) for heating and processing purposes.

Development of what is believed to be an almost unlimited supply of potash is still in the negotiating stage.

The town—at the crossroads of the CNR and CPR lines from Edmonton to Saskatoon—is also central distributing point for electric power generated by Saskatchewan Power Corp.

Population has jumped from 900 to 1,200 in the last three years and a program of civic improvements to keep pace with this growth is actively under way.

Spearheading Unity efforts to attract new industry is the Unity Board of Trade, headed up by Dr. Henry L. Wylie (president for 1948-49). A graduate of Universities of Saskatchewan and Manitoba, Dr. Wylie has had a varied career as a school teacher, student minister (United Church), miner, cream grader, doctor (he was with RCAF medical service during the war and started practice in Unity in 1946).

Silknit Results Said Favorable In Current Year

Favorable sales and profits were experienced by Silknit Ltd. in the first five months of 1949. More normal conditions of demand, supply, prices and general business activity are being encountered, President M. H. Epstein told the annual meeting. Management is confident of a favorable volume of business with a reasonable profit margin. Expanded and improved production facilities will contribute materially to company's welfare in the future, it was said.

Although approximately three quarters of 1948 earnings arose from operations of Silknit Ltd. and its Canadian subsidiaries, a good improvement in profits was also reported by the Australian and English subsidiaries. Net profit of Australian subsidiary was $105,348 ($82,398). A dividend of $23,000 was received from this company in April of this year. Operating results of the English company were $50,924 ($40,020). In May a dividend of $28,000 was received from this company.

PICAMINE COPPER GOLD MINES has received permission of the Ontario Securities Commission for sale of shares in Ontario on the basis of 75% of proceeds going to treasury. Stewart Ghent Moore has been granted registration to sell.

T.T.C. Traffic Sets Record Net Is Lower

Record-breaking passenger traffic in 1948 resulted in the highest gross revenue ever reported for the Toronto Transportation Commission. At $25,542,866 (exclusive of the Island Ferry revenue) revenue was up 3% from 1947's $24,803,830. Net income, however, was considerably lower due to an increase of 7.8% in operating expenses which were also at an all-time high. Income carried to surplus was off sharply at $121,088 compared with $269,377 in 1947.

The number of revenue passengers carried on the street cars and buses of the city system in 1948 totaled 311,155,973, up 3,565,035 or 1.16% from 1947.

The average fare on the city system was 6.157c in 1948. This is reported to be the lowest fare on the continent for any comparable city. A comparison shows that the average fare at the end of 1948 in all U. S. cities of 50,000 population or more (except New York) was 9.83c, almost 60% above the Toronto average.

Expenditures of $11 millions have been made for new equipment and other improvements during the past two years. Additional capital expenditures of approximately $6.5 millions have already been approved for 1949, exclusive of the Rapid Transit project. During 1948 216 new vehicles were acquired and placed in service, including street cars, electric trolley coaches, motor buses and coaches. Additional equipment on order at the end of the year included 100 street cars, 30 motor coaches and one ferry boat, at a total estimated cost of $5 millions. Of this total 20 motor coaches have been received to date in 1949.

Construction of the Rapid Transit system is expected to get under way during 1949. Tenders for the first sections of the Yonge Street project closed June 15 and actual construction should start in September if contract prices are acceptable. It is hoped that by the end of 1953 the Yonge St. subway line will be in full operation, with Yonge St. and Avenue Rd. free of all tracks and street-car operation, the report states.

Total gross revenue of the Commission's subsidiary, Gray Coach Lines, Ltd., was by far the greatest for any year in the history of the company — $5,339,439 against $4,811,895 in 1947. This increase, however, was more than offset by increases in operating expenses and the balance of income available for dividends and surplus was the lowest since 1941 — $58,503 compared with $124,902 in 1947.

Effective Jan. 1, 1948, the Commission assumed financial responsibility for the Island Ferry operation which had a deficit of $84,702 for the year. This service has always operated at a loss, the burden of which had been borne by the taxpayers for 20 years, and little improvement is anticipated under the terms of agreement signed with the City.

Many improvements and changes were made in the routings and operation of the street cars and buses and Gray Coach Lines services during the year. The most important changes were replacement of rail car operation by buses on Spadina Ave., Weston Rd. and North Yonge St. from the city limits to Richmond Hill. Various other changes were made in schedules and frequency to meet the needs for improved and increased service in various sections of the city.

Passenger traffic for 1949 is continuing to show an increase over 1948 record levels. However "a serious change in the present favorable economic conditions could easily reverse the good financial results of 1948, and make the consideration of obtaining higher revenues a possibility," states the report. "In the meantime, the Commission believes that it should continue its efforts to improve the service to the limit of its financial ability."

B. C.'s Sales Tax Nets $14 Millions

From Our Own Correspondent

VANCOUVER—Net revenue of British Columbia's one-year-old retail 3% sales tax was $14,121,814, Finance Minister Anscomb reports.

Of the total, Vancouver will get $1,098,580. With its one third of the motor vehicle license tax, the city will get $1,825,160 and Mr. Anscomb's office said "cheques will be mailed shortly." All municipalities will benefit proportionately.

The provincial government budgeted the sales tax at $14 millions, and Vancouver City budgeted its share at $1,885,000. Thus the province did better than it hoped, Vancouver not quite as well.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL POWER CO. 1948 net profit was up 22.8%. Power generated by company subsidiaries has shown a steady increase and plans are being made for substantial additions to generating and distribution facilities. Owing to prevailing high costs, it is expected these capital additions will absorb the greater part of the subsidiaries' earnings over the next two years at least, the annual report states.

Shares of the Newfoundland subsidiary were sold in March, 1949, and its accounts for the year 1948 as well as those of the Monterey Railway, Light & Power Co. are not included in the accompanying consolidated statements. These shares are included in consolidated balance sheet under the heading—investment in subsidiary companies.

The sum of $363,133 was received on account of the cumulative interest on income debenture stock of the Monterey Railway, Light & Power Co. It is not likely that further income will be received from this company for some time due to recent serious decline in Mexican exchange.

Construction expenditures on properties amounted to $2,816,696 and those of the Monterey company amounted to $611,965. No further distribution of Porto Rico Power Co., liquidation funds has been made by the liquidator since that referred to in 1947 report. It is expected that a further small distribution will be made during the current year.

Directors anticipated the early initiation of dividend payments on the 6% cumulative convertible second preferred shares (arrears outstanding at July 1, 1949, will be $134 a share). An amendment is being suggested to permit dividends on the common shares to an extent not exceeding 60c a share in any quarterly period, simultaneously with dividends on the second preferred shares, pending liquidation of all arrears of dividend on these shares.

CONS. INCOME ACCOUNT
(In Canadian currency at par of exchange)

Years Ended Dec. 31:	1948	1947
Net earnings	$2,853,477	$3,020,230
Less: Subs. bd. int.	......	124,918
Subs. dividends	19,412	19,867
Depr. & ren. res.	656,620	840,192
Cont. & gen. res.	130,572	145,411
Min. int. in surplus	86,651	87,708
Bd. chgs., amort.	......	13,231
Net income	1,960,222	1,788,903
Add: Other inc.	363,635	182,521
Less: Misc. exp.	54,069	36,593
Debenture int.	112,632	208,204
Refin. exp., etc.	109,463	138,550
Add: Bond sale	3,805	82,581
Net profit	2,051,498	1,670,658
Less: 1st pref. divds.	100,000	240,000
Surplus for year	1,951,498	1,430,658
Times Int. Earned	20.15	9.29
Earnings per Share and Dividend Record:		
5% pref.: Earned	$25.64	†$20.88
Paid	1.25	†3.00
2nd pref.: Earned	97.57	71.53
Common: Earned	15.84	11.34

None paid on 2nd pref. or common.
†6% pref., red. Jan. 9, 1948.

CONDENSED CONS. BALANCE SHEET▲

As at Dec. 31:	1948	1947
Cash	$1,326,046	$2,944,076
Accts. rec.	954,839	1,356,821
Inventories	1,116,398	987,062
Total curr. assets	3,397,283	5,287,959
Misc. assets	172,180	291,903
Inv. in subs.	4,263,625	1,416,939
Fixed assets	24,238,143	29,698,820
Total assets	32,071,231	36,695,621
Divd. payable	50,000	120,000
Bank loans	464,054	60,000
Accts., tax., etc., pay.	1,234,614	1,191,308
Total curr. liab.	1,748,668	1,371,308
Def. credit, etc.†	3,053,270	2,485,526
Funded debt	1,400,000	5,474,000
Depreciation	7,076,553	8,368,232
Other res.	2,307,106	2,046,813
Min. int. of sub.	1,291,352	1,238,697
Capital stock	5,622,750	7,622,750
Surplus	9,571,532	8,088,295
Working capital	1,648,615	3,916,651

▲Not including accounts of Porto Rico Power Co., in liquidation.

†Including $2,394,149 in 1947, $3,005,508 in 1948, rec'd by co. re Porto Rico Power in excess of investment therein; final distribution not yet made.

INTERNATIONAL HYDRO ELECTRIC SYSTEM trustee B. A. Brickley's petition to make a partial payment on July 1 of $100 per $1,000 outstanding 6% convertible gold debentures has been approved by the court. The payment will amount to $2,656,800 plus acrued interest and will reduce the principal amount outstanding to $15,940,800.

Fleet Mfg. Profit $84,077 For 7 Mos.

Fleet Manufacturing Ltd., Fort Erie, Ont. had a net profit of $84,077, after debenture interest of $13,947 and amortization of bond discount of $3,269, for the seven months to April 30, President George D. Clarke told shareholders at the annual meeting. The company had a loss of $380,785 for the year ended Sept. 30, 1948.

Firm orders on hand are slightly higher than the $1.5 millions figure mentioned in the annual report. Orders for the company's newly developed packaged interior door are around $750,000.

Based on the business in sight, net profit is expected to continue at about the same or a slightly higher rate than for the first seven months, Mr. Clarke said.

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Important among these services are business and personal loans.

Among the determining factors in granting bank credit, under competitive banking, are that the purpose of the loan be a worthy one, that it will further the welfare of the borrower and be profitable to the bank.

The Bank of Toronto offers all banking services to clients large and small.

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Incorporated 1855
L. G. GILLETT, General Manager

. . . well
practically unanimous

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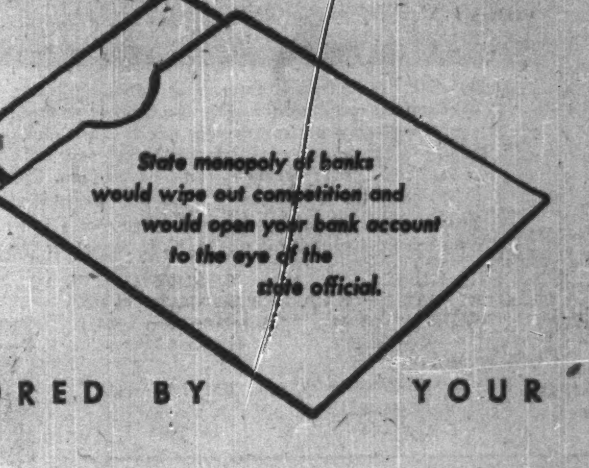
But most folk nowadays keep their money in bank accounts. They can get it whenever they want it; and they can pay their bills by cheque. Canadians have more than seven million such deposit accounts. In terms of Canada's adult population, that makes it practically unanimous.

The banks, in turn, know they must earn this confidence by giving you the best service they know how.

Today you can take your account to any bank you choose. And what is in your bank book is strictly between you and your bank. It is your own private business.


State monopoly of banks would wipe out competition and would open your bank account to the eye of the state official.

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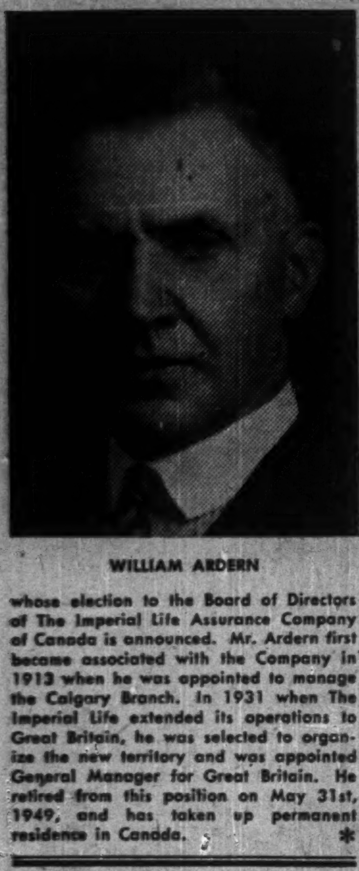


WILLIAM ARDERN

whose election to the Board of Directors of The Imperial Life Assurance Company of Canada is announced. Mr. Ardern first became associated with the Company in 1913 when he was appointed to manage the Calgary Branch. In 1931 when The Imperial Life extended its operations to Great Britain, he was selected to organize the new territory and was appointed General Manager for Great Britain. He retired from this position on May 31st, 1949, and has taken up permanent residence in Canada. *

Industry, Insurance, Fire Services All Share in Fire Prevention Work

Any fire prevention and fire protection campaign is really a three-way job requiring the direct and practical collaboration of the three most concerned principals—industry, the insurance group and fire services—Mathew M. Braidech, director of research of the National Board of Fire Underwriters told the Canadian Manufacturers' Association annual meeting. The National Board of Fire Underwriters (of the United States) is an international body with substantial Canadian membership. Here is a digest of his address:

By MATHEW M. BRAIDECH

Our day-in-and-day-out fire losses continue to be spotlighted in the public press with regular frequency, as the tremendous fire wastage in the United States and Canada continues at the all-time record-breaking levels. The current fire rate of "three per minute" is accompanied by a monetary loss of $1,500 per minute—roughly amounting to a daily loss of approximately $2,000,000, which is equivalent to two major conflagrations per day for a solid year.

A further breakdown of statistics indicates that a fire attacks a home every one and a half minutes, a store every 11 minutes, a factory or place of business every 14 minutes, a farm building every 15 minutes, a school building every three hours and a hospital every six hours. These fire and explosion incidents involve the injury to some 40,000 persons and an annual life loss nearly 11,000. This is truly a sad and shocking picture.

The so-called large-loss fires bear special emphasis in connection with this discussion. Records for the last year show the occurrence of 92 fires having individual losses of at least $1,250,000, and nearly 275 fires with losses of $250,000 each. Another statistical slant over the 10-year period indicates that industrial fires account for one-third of 1% of the total number of fires and that they are responsible for over 60% of the losses—greatly emphasizing the influence of congestion and greater concentration of values in materials and equipment, and in human beings.

Risk of Business Failure

Fires involve severe risks of business failure to a greater degree than is ordinarily realized. The full economic shock involves such hidden losses as disruption of production, loss of wages and trained workmen, and costly snarling of business, among other telling factors. Business mortality figures show that every year 43% of the heavily damaged firms do not resume operation and that another 28% cease operating within three years.

Back of such a record, we rightfully cannot avoid asking ourselves what might our losses really have been if the present fire fighting facilities of our municipalities and industrial brigades had not been available, even though they are known to be inadequate in most instances. We must give due credit to our Fire Chiefs and their men and support them at every turn. By the same token, we must also recognize the indispensable helping role of insurance protection, which has today become so imperative to our economic and national security.

To combat effectively our growing fire losses, we must attempt to understand some of the underlying causes and contributing factors.

The history of fire control is virtually the history of mankind's progress; for as its control developed, civilization advanced. In fact, every factory chimney may be looked upon as a monument to the importance of fire.

Reflecting for a moment on the tremendous fire wastage of our present day, it seems that man has gradually failed to assume his charge of responsible guardianship for this God-given and controllable force. Perhaps a good measure of the fault is chargeable to such moral hazards as insufficient dissemination of technical information, inadequate and obsolete fire protection service, faulty training and improper employee behavior, and to some degree, poor operating and housekeeping conditions due to incompetent and unresponsive management.

Fire services cannot afford to lag behind if they are to effectively cope with the sharply accentuated hazards in new fire problems.

A brief sampling of noteworthy developments in materials and processes (together with their commercial potentials) typifies incomparably broad and ramified problems which are currently holding the interest of fire safety specialists:

New chemical developments with hazard potentials: The nation's capacity for fluorine manufacture was greatly increased during the war to meet the production requirements for the atomic bomb, the demand for special fluorinated chemical compounds for the chemical warfare service, and the petroleum industry's high-octane gasoline program. Industrial electrolytic production of elemental fluorine promises a price drop from the prewar level of $75 a pound to 25c, with predictions of vast industrial usage. Industrial fluorination is expected to develop a whole series of organic compounds of nonflammable, nontoxic, and high-boiling-point characteristics, finding application in new heat-transfer media, fire-resistive insulation and plastics.

It is to be pointed out that fluorine is an extremely corrosive gas and is recognized as the most reactive element known. Because of its chemical activity, it was found difficult to handle and dangerous to use on any large scale and defied chemical control for many years. It is capable of producing the highest possible flame temperature (exceeding oxyacetylene flame) and will support the combustion of glass and asbestos; a steel rod goes up in smoke, and water burns as its hydrogen and oxygen combine with fluorine. The handling experience developed during the war should prove most valuable in the proper utilization of this material.

2. High-voltage electroprocessing developments: Extensive developments are occurring in the use of high-voltage electrostatics for spray deposition and dip-detearing of industrial coatings, and in the separation and recovery of fluidized solid catalysts in petroleum-vapor processing.

Industrial Ovens and Driers

3. Fire and explosion hazards in industrial ovens and driers: To maintain speed of production, drying and finishing ovens are being operated at increasingly elevated temperatures in diversified designs and under complicated operating controls to promote and keep up a high output of work. The occurrence of numerous fires and explosions has stimulated researches concerning the possible catalytic influences of various metal surfaces on lowering the ignition temperatures of flammable vapors and gases; and the redetermination of lower flammability values of these combustibles at actual oven operating temperatures (ranging upward to 1,000 degrees F.), in contrast to the normally reported data obtained at ordinary room temperatures.

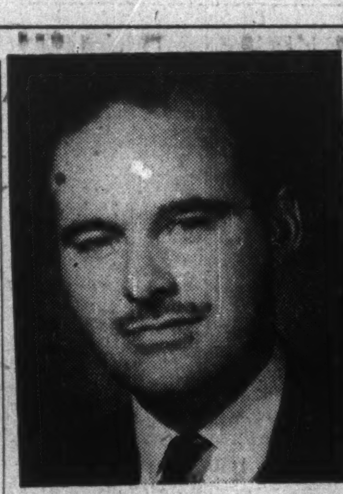
4. Expanded utilization of liquefied petroleum gases as fuels: Fuel shortages due to the curtailment of natural and manufactured gases and coal supplies have brought about almost country-wide use of compressed and liquefied propane, propylene, butane, isobutane and butylene hydrocarbons, with consequent potential leak hazards from these heavier-than-air gases. Protective engineering features and regulations requiring frequent inspection and proper maintenance are being developed to assure a maximum of safety.

The indispensable safeguarding role of our fire chiefs and their departments is all the more emphasizing when it is realized that perfect control against all hazards is not possible of achievement. Even if it were physically possible, it would not be financially or economically feasible—financially, because the cost, in many cases, would exceed the risk involved; and economically because, in some instances, all the time would be devoted to protection to the exclusion of other pursuits. However, this argument of diminishing returns should never be permitted to pave the way for chance-taking operations. Wherever resort is made to so-called "calculated risks." They must be compensated by proper control and technical judgment, and a reasonable amount of engineered safety should be provided to take care of the unknown "if" factor.

It is important that our fire services be properly equipped and be constantly on the alert with an all-around intelligent awareness toward industrial developments and new hazards in their respective communities. Effective planning and gauging of the protective operations and strategies that might be required in dire emergencies will be greatly expedited by the availability of advance knowledge of the chemical and fire characteristics of the various process materials in the immediate industrial establishments holding significant hazard potentials.

Our modern day specialization is adding materially to the above responsibilities of an already burdened fire chief. As civic-minded and public-spirited citizens, it behooves us to lend him the necessary technical assistance and every possible support in the acquirement of improved fire-fighting facilities. An active municipal fire prevention bureau, properly supported by the talents and energies of an advisory industrial fire or safety council will play a big role in creating a partnership with industry and a two-way defensive alliance against constant threat of a common enemy.

In reality fire prevention and fire protection is a three-way job; it requires the direct and practical collaboration of the three most concerned principals—the industrial group, the insurance group, and the fire services, meaning our fire departments and the fire protection profession in general. These three interests should be as inextricably linked to the task as the three elements of fire—the fuel, the oxygen supply, and the kindling temperature, whose relationship is so well picturized in terms of a triangle. This same geometrical likening or connotation should be applied to our three intersecting interests to represent a Triangle of Teamwork.



J. C. L. ALLEN

of C. C. Fields & Co. has been elected treasurer of the Toronto Stock Exchange.

Data for Driver, Owner In Motorist's Handbook

The Canadian Motorist's Handbook, twelfth edition, 1949-50, which has just been issued contains much valuable information for the motorist both as regards care and upkeep of his car, the rules of the road in different provinces, legal liability and insurance protection. It tells how to save in operating costs; how to give first aid and discusses the responsibility of drivers, owners, employers and employees as regards highway responsibility. It tells how the financial responsibility laws of the different provinces work. Every automobile driver or owner will find the book useful. It is edited and published by Lillian D. Millar, 131 Bloor St. W., Toronto, price 35 cents.

Press Relations Need In Insurance Stressed

The Aetna Casualty & Surety Co. has just issued a booklet entitled "Breaking Into Print," which explains the importance of press relations to the insurance man. It does not pretend to set up a publicity program but states a few general principles and offers a few suggestions regarding the type of news material local newspapers might be interested in publishing.

It points out that the insurance man who is well known in the community is likely to get business ahead of one who is not known. It urges insurance men to provide their newspapers with news items whenever possible. But it also warns that ideas as to what is news vary, not only as regards the general public and the newspapers but among newspapers themselves. Efforts to prevent accidents are especially mentioned as something that will make news and will at the same time give publicity to the insurance man. The booklet thus gives the insurance agent practical ideas for building his own press relations program, and keeping his own name and his business before the public.

UNITED KENO HILL MINES has received payment for 50,000 shares at $1 a share, which were taken up by officers and key personnel. Issued capital is 2,300,000 shares, leaving 200,000 in treasury.

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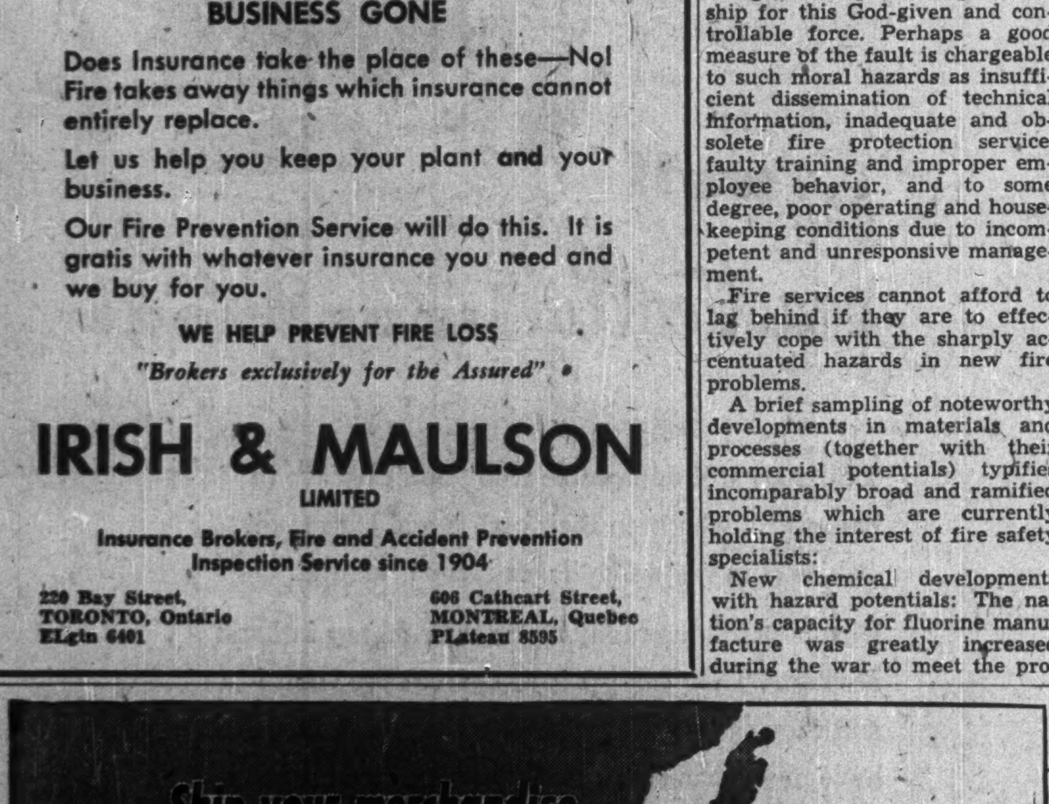

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49-21R

Cold Facts can sometimes be very heartwarming, too...

WE HAVE just published our 104th Annual Report to Policyholders as a 40-page illustrated booklet. It tells about the progress New York Life made in 1948 and contains important facts and figures dealing with the financial condition of the Company.

Set off by themselves, the figures tell a story of financial stability. But behind them lie many warm and human stories about the benefits life insurance brings to people in all walks of life everywhere.

It is a fact, for example, that in 1948 New York Life paid over $200,000,000 to policyholders and beneficiaries. This money is helping widows maintain their homes and bring up their children without hardship. It is helping to send sons and daughters to college who otherwise might not have gone. It is helping families enjoy the peace of mind that comes of knowing that the future is financially more secure. It is helping men and women in their old age live without financial worry.

It would be impossible to tell all the stories about all the people who benefit through life insurance policies. But in our Report this year we try, at least, to show what human values the facts and figures of our business often have.

In addition, the Report contains helpful information on "The Problem of Growing Older," as well as a description of an improved service for policyholders so that death benefit payments and policy loans may be expedited, a review of the way the Company has made mortgage money available for housing, and a discussion of the Company's policy in making its investments in 1948.

The essential facts and figures of our 1948 operations will be mailed to policyholders as usual with premium notices. The larger illustrated booklet will gladly be sent upon request.

A few figures from our
104th Annual Report to Policyholders
December 31, 1948

Assets totalled $4,448,369,759, an increase of $214,185,161 over the close of the previous year. After deducting $4,181,863,874 of reserves and other liabilities, surplus was $266,505,885, or $35,387,161 more than at the end of 1947.

Sales of new life insurance in 1948 amounted to $857,719,600, which is $335,600 greater than in 1947.

The Company had 3,779,541 policies in force for $9,539,584,229 of life insurance protection on December 31, 1948. The net growth of the Company during the year, as measured by the increase in life insurance in force, was $475,979,615.

The provision for 1949 dividends to policyholders is $45,741,294. New York Life has always been a mutual company and pays dividends to policyholders only.

A copy of the 40-page illustrated
104th Annual Report to Policyholders
will gladly be sent to anyone
requesting it.

F. A. WADE, C.L.U.
Superintendent of Agencies
Canadian Division
320 Bay St., Toronto, Canada

NEW YORK LIFE IN CANADA. The New York Life started doing business in the Dominion of Canada in 1868, twenty-three years after the Company began in the United States and one year after Confederation. Insurance in force in the Dominion on December 31, 1948, totalled $133,964,418 under 58,940 policies. Canadian investments at the close of 1948 aggregated $87,455,407, of which $58,925,343 were Dominion of Canada government bonds, $19,673,109 were provincial, municipal and public utility bonds, and the remainder represented first mortgages on real estate, policy loans, and cash.

To serve its policyholders and the public of Canada, the New York Life Insurance Company maintains Canadian Division Headquarters at Toronto, Branch offices at Quebec City, Montreal, Winnipeg and Vancouver, Offices at Calgary and Victoria.

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TORONTO

Pan Western Shares Wells

Interested in Two New Drillers — Survey Work Now Proceeding

Pan Western Oils, which is sharing exploration of 667,270 acres of western oil lands with U. S. and Canadian oil companies, is interested in two new wells to be completed shortly, The Financial Post is informed.

The first well is to be drilled on an 800-acre block about 12 miles northeast of Imperial Oil's Schoepp No. 1 well on the Stoney Plains Indian Reserve. The well site was chosen by Pan Western's consulting geologist, Dr. T. A. Link, on a seismic anomaly developed by Imperial Oil which is contributing to the well along with other holders of acreage in the area.

The second well will be put down on a 4,160-acre block acquired near Kavanagh, 12 miles southeast of the Leduc oil field. Pan Western and Long Island Petroleums will drill the well and pay the entire cost in return for a 50% interest in acreage and seismic data furnished by Imperial Oil. If the test proves successful, 50% of the cost of subsequent wells will be paid by Imperial. Several wells already drilled in the area are stated to have had some showings.

Exploration is already underway on another holding in which Pan Western is interested—57,000 acres of a permit held jointly by Pan Western, Central Leduc and Tower Pete, and under development by Rio Bravo Oil Co., the California subsidiary of Superior Oil Co. The deal was consummated on a 75-25 basis. The location is about 25 miles east of the Canadian Gulf Oil Co. Stettler discovery. A detailed seismic survey is well advanced by Rio Bravo.

Pan Western and Long Island Petroleums are currently having a gravity meter survey carried out by Mayes Bevan Co. of Tulsa, Oklahoma, on 500,000 acres of Saskatchewan crown permits held by Pan Western and Long Island Petroleums under contract with Lambton Co., the owners of the permits. The area lies 20 to 50 miles northeast of the Lloydminster oil field.

In addition, arrangements are being made for exploration of a tract of 98,240 acres of Alberta crown permits held jointly by Pan Western and Long Island Petroleums, in a section where Barnsdall, Honolulu, Seaboard Oil, Angelus and Emjay Petroleums are active.

An operational program covering several wells is being considered for Baxter Lake area in the immediate area of Pan Western's 1948 discovery in this section.

Pan Western reports 2,000,030 shares are now outstanding of an authorized capital of 3.5 million shares.

New Copper Mine Shows Low Costs

Although possibly not more than two copper mines in the United States can produce copper at a cost of less than 18 cents a pound, the situation is radically different in Canada where low costs are invariably the rule.

This has been demonstrated again in Canada by Canada's new copper producer, East Sullivan Mines. President Pierre Beauchemin reports that Mine Manager Larry T. Postle has stated that on the present basis of 2,500 tons daily and prevailing conditions, an operating profit can be realized as long as copper is over nine cents a pound. It is also stated that this 9-cent figure might be lowered in the event that there is a general decline in the cost of supplies.

12 U. S. Oil Companies Enter Saskatchewan Fields

From Our Own Correspondent

REGINA — A further six American oil companies have now completed negotiations with the Saskatchewan Government to explore a large acreage of land in Saskatchewan, Resources Minister Brockelbank, announces.

Twelve American oil companies have therefore completed negotiations recently with the government. Approximately eight million acres of crown lands are involved in the latest negotiations, bringing the total acreage in the two groups of "sales" to 17 million acres.

The six additional American companies which will take part in the Saskatchewan exploration and development program are: Sohio Oil, Chicago Corporation, Midstate Petroleum, Texas Gulf Oil, Republic Natural Gas, and Union Sulphur Corp.

These companies now hold permits on land extending from Wood Mountain through Moose Jaw to the Regina area, a second block extending from Humboldt east to the Manitoba border, and another block south of Rosetown, the latter covering about 400,000 acres. Of their approximately eight million-acre total, they obtained the rights to about half directly from the Crown and the balance from other permittees.

All are stated to be well-known producing and refining companies in the United States.

The original six companies taking up reservations were Tidewater Associated Oil, Atlantic Refining, Honolulu Oil, Seaboard Oil, Barnsdall Oil and Columbia Carbon. Their acreage extends west from Saskatchewan to Biggar, and south from Swift Current to Lake Johnston. A second block of land is situated in the Touchwood Hills area, and a third block extends from the Qu'Appelle Valley south to Carlyle and east to the Manitoba border.

Manitoba Oil Well Gets Four Showings

From Our Own Correspondent

WINNIPEG — Four showings of oil are reported by the Souris Valley Oil Co. which is drilling 10 test wells in southwest Manitoba.

One of the wells at June 15 was down 4,424 ft. President O. Knisley says that light grade oil was found at 4,406 ft. and that in a test of the well from 4,406 to 4,424 ft., fluid rose in the drill pipe a distance of 60 ft. in a 25-minute test. Mr. Knisley reported that gas was present with the oil.

The company has undertaken to go to a depth of 5,000 ft. in each test well. The one where oil showings are reported is 2½ miles southwest of Lyleton and about six miles from the international boundary.

KIRKLAND LARDER MINES reports to the Ontario Securities Commission that under a modified financing agreement of late 1948, Horace Strong and Leslie L. Steindler agreed to purchase 250,000 shares at 10 cents a share and received an option on a further 1,750,000 shares at 10 to 70 cents a share. The agreement is held by the two men on behalf of Halcrow Swayze Mining Co., Ribago Rouyn Mines and Cocase Prospecting Syndicate. Authorized capital of the company is three million shares of which 1,100,005 shares are issued.

LAKE SUPERIOR MINING CORP. has reported to the Ontario Securities Commission that six of its claims have been abandoned.

92 Gold Mines Receive $3.21 an Oz. Cost-Aid

Up to and including May 31, 1949, 92 Canadian gold mines had received payments under the Emergency Gold Mining Assistance Act. Average assistance worked out at $3.21 an ounce, the Department of Mines & Resources reports.

The act was designed primarily to assist marginal gold producers, largely with the purpose in mind of maintaining the communities built up around these operations.

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COMPANY REPORTS

VENTURES LTD. realized an increase in earnings to $831,321 or 47 cents a share in 1948 against 33 cents in 1947, but at the end of 1948 there was an excess of current liabilities over current assets of $2,588,504 against $872,148 a year earlier. Included in current liabilities of $3,244,871 was a secured bank loan of $3,165,000 ($500,000 U. S.).

In a footnote to the 1948 balance sheet auditors note that "accumulated aggregate of surpluses less deficits of subsidiary companies as shown by their 1948 balance sheets amounted to $6,140,274, of which the interest of Ventures Ltd. therein was $5,080,408."

Chief holdings in subsidiary and associated companies at Dec. 31, 1948, are reported as follows:

Subsidiaries:	No. of shares	Book value $
American Nepheline	1,479,080	482,711
Coniaurum Mines	1,420,800	879,247
Falconbridge Nickel	2,412,640	2,580,899
Frobisher Ltd.	1,673,601	2,232,469
Hoyle Mining Co.	1,740,904	1,282,201
La Luz Mines	1,091,813	2,253,528
Matachewan Consol.	1,866,827	511,299
Metal Hydrides	63,911	520,812
Pelletier Lake	2,135,100	306,843
St. Eugene	1,079,583	289,348
Toronto Mines Finance	12,500	12,500
Other		24,634
		11,216,581
Associates:		
Canadian Malartic	1,384,685	510,190
Dominion Magnesium	101,097	634,672
Eureka Corp.	311,495	313,429
Lake Dufault	1,248,997	203,273
New Calumet	181,201	2
Nipissing Mines	196,040	502,208
Pascalis Gold Mines	1,462,837	244,468
Tonopah Mining Co.	117,260	131,985
Other		239,649
		2,779,956

"Your directors affirm again in these uncertain days of depreciating paper currency to have good ore in the ground is the best asset, and to achieve this it has been wise to suspend dividends temporarily, use your cash resources and to borrow money from the bank," President Thayer Lindsley remarks.

Further advances were made to Frobisher Ltd. in 1949—total was $1,898,170 at Dec. 31, 1948—to enable that company to discharge bank indebtedness and Ventures Ltd. has taken down a further 800,000 shares at $3 a share in complete liquidation of this inter-company debt. As at March 31, 1949, Ventures Ltd. direct and indirect interest in Frobisher Ltd. amounted to 61.98%. Frobisher has also been financed to the extent of $1 million (by outside interests).

A total of $1,678,231 had been advanced to Eureka Corp. at the end of 1948.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Divs. & int. rec'd	$1,187,907	$882,925
Less: Int. pd. (net)	69,276	36,961
Exec. sal.	6,682	13,150
Legal fees	1,935	6,843
Admin. exps.	28,078	36,315
Prov. for taxes	615	43
Trans. to inv. res.	250,000	200,000
Profits for year	831,321	589,613
Less: Divds.	......	89,371
Surplus for year	831,321	500,242
Earnings per Share	$0.47	$0.33
Paid	nil	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$648,499	......
Accts. rec.	7,868	$1,531
Min. & ind. shs.‡	......	44,127
Total curr. assets	656,367	45,658
Adv. for exp.	15,208	24,425
Expend., sund. prop.	20,637	12,829
Shs. in & advs. to sub. & other cos.	18,737,188	15,998,913
Other shs. (cost)	......	22,938
Int. in patents	7,500	7,500
Int. in Ile Perrot site	95,976	96,099
Claims	81,027	81,028
Equip. & furn.	2,830	2,830
Total assets	19,616,732	16,292,220
Bank loan	3,165,000	840,253
Accts., etc., pay.	39,413	37,095
Tax reserve	40,458	40,458
Total curr. liab.	3,244,871	917,806
Res. assoc. cos.	3,433,588	3,183,588
Capital stock	9,343,348	9,343,348
Spec. surplus	195,859	279,733
Earned surplus	3,399,067	2,567,745
‡Market value	......	61,740
Working capital	†2,588,504	†872,148

†Excess of curr. liabs. over curr. assets.

MONETA PORCUPINE MINES plans a further large-scale program of prospecting and exploration in 1949. In 1948, 38 properties were examined and one of four prospecting parties made a gold strike in Verneuil twp., Que., where 48 claims were staked. Further work is planned there during the summer.

Moneta retains mining rights on its properties at Timmins and a 20-year option is held to repurchase mill buildings.

Investments are reported in Buffalo Ankerite, Dominion Magnesium, Halport Mines and Kasba Exploration but no details are provided on size of individual holdings. Cash, bonds, stocks (at cost), accounts receivable and investment in associated companies (at cost), less current liabilities, amounted to $1,421,810 at the end of 1948.

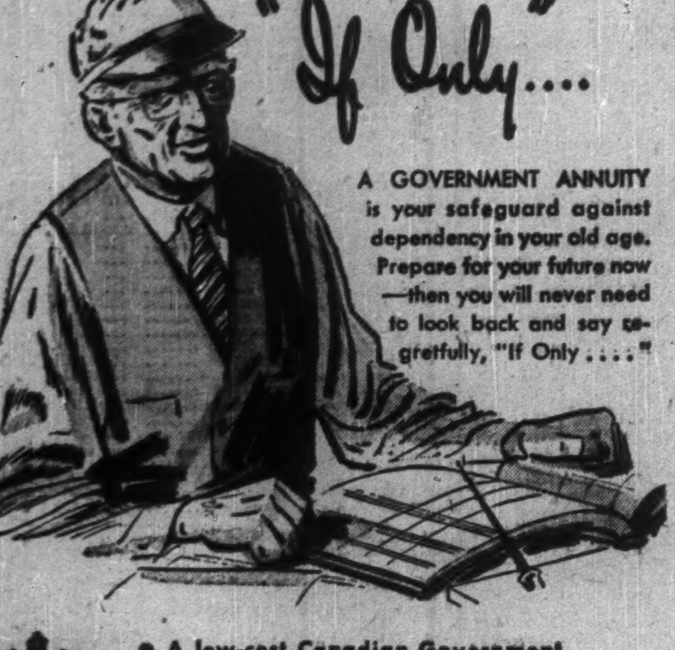
INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Oper. exps.	$ 92,141	$ 94,162
Less: Invest. inc.	23,139	27,475
Net loss	69,002	66,687
Add: Dividends	......	25,439
Deficit for year	69,002	92,126
Earned per Share	d$0.027	d$0.026
Paid	nil	0.01

CONDENSED BALANCE SHEET

As at Mar. 31:	1949	1948
Cash	$ 191,063	$ 401,222
Accts. rec.	22,546	7,507
Bonds & stocks*	766,346	597,789
Total curr. assets	980,655	1,006,518
Mtge. rec.	6,500	......
Prep. & def. chgs.	......	632
Inv. assoc. cos.	478,336	485,069
Properties	1,008,432	1,010,432
Plant & equip.▲	21,933	21,745
Total assets	2,494,855	2,254,396
Accts. & tax. pay.	2,752	1,064
Divds., etc., pay.	4,327	5,085
Total curr. liab.	7,079	6,149
Capital stock	1,682,909	1,686,909
Capital surplus	469,363	400,832
Earned surplus	301,444	370,446
▲After depr. of	15,909	18,239
*Market value	875,522	652,067
Working capital	943,476	1,000,369

STARCOURT GOLD MINES reports that Can-State Underwriters have taken up and paid for 53,193 shares at 5 cents a share and that options have been extended so that 1,736,802 shares are to be taken up as follows: 36,807 shares by Sept. 5, 1949; not less than 50,000 shares each month thereafter.



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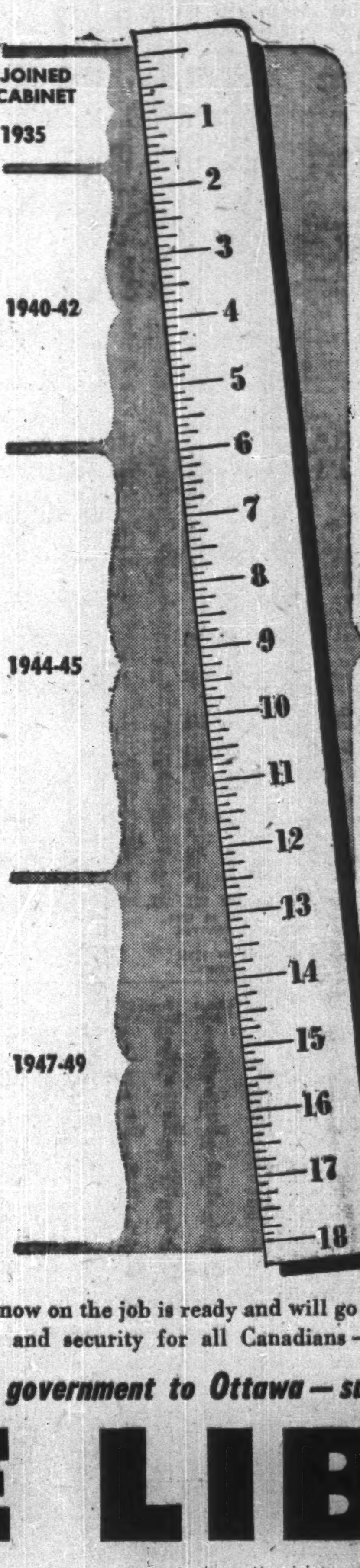
Let's look at the

Liberal Team

SEE HOW ITS MEMBERS MEASURE UP—how high they rate on ability, experience, performance.

The Right Hon. Louis St. Laurent heads this strong, well-balanced team which will "carry the ball" for further big gains in the steady Liberal advance toward a greater, better Canada.



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Secretary of State

WHERE DO THEY COME FROM?
They are men from all parts of Canada, with intimate knowledge of all phases of Canadian life. They are truly representative of the two major language groups. The Liberals are a truly national party.

HOW ABLE ARE THEY?
All have proved themselves in other fields — farming, engineering, diplomacy, business, law, medicine, education — as well as in high provincial posts. Two are former provincial premiers. The Liberal cabinet is recognized as the most competent ever to govern this country.

ARE VETERANS REPRESENTED?
Yes—one-third are veterans of World Wars I or II.

HOW LONG HAVE THEY SERVED?
Average time in cabinet is five years. Vigorous new talent has come into the cabinet, providing a combination of youth and experience, of mature judgment and bold constructive thinking.

HOW DO THEY WORK TOGETHER?
The cabinet works as a united team. The Liberals have never believed in prima donnas or one-man governments.

HAVE THEY SERVED YOU WELL?
They are responsible men who do not make promises unless they are prepared to deliver. Their record is an open book. They are men you can trust.

WHAT ARE THEIR POLICIES?
They work for the objectives clearly stated in the party platform. Liberal policies are consistent, constructive and forward-looking. They serve national, not sectional or special interests.

This Cabinet team now on the job is ready and will go on working for the Liberal program of human welfare and security for all Canadians — of trade, prosperity and peace.

Return a strong, united government to Ottawa — support your local Liberal candidate —

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INSERTED BY NATIONAL LIBERAL COMMITTEE

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 17

Mining Stocks

Week Ended June 17

Oil Stocks

Range 1949 High	Low	Div. Rate $	June 17 Yield %	Company	Sales	Last June 10	High	Low	Close
.47	.26½	.....	....	Nat Pete..	7,000	.31	.30	.26½	.29
.11	.07	.....	....	N. Pacalta	55,800	.09½	.09½	.08	.09
.05½	.02	.....	....	New Ranch..	3,000	.02½	.02½	.02½	.02½
.17	.12	.....	....	Nordon....	1,500	.12	.13	.12	.12
.31	.07	.....	....	N. Cont...	192,000	.09	.10½	.08½	.10½
.21	.10	.....	....	N. Exten...	500	.10	.10	.10	.10
2.60	1.11	†.10	....	Okalta.....	57,000	1.35	1.32	1.13	1.22
3.05	2.00	.10	4.3	Pac. Pete...	33,120	2.35	2.35	2.20	2.32
.25	.09	.....	....	Pan West..	10,500	.09½	.10½	.09	.10½
.05½	.03½	.....	....	Phillips P....	22,000	.04½	.05	.04½	.05
.42	.18	.....	....	Princess P..	8,500	.20	.20	.18	.20
.50	.25	.....	....	Roxana....	5,400	.29½	.29	.25	.25
.13	.07	.....	....	Royal Can....	6,300	.07½	.08	.07	.07½
7.10	5.85	1.00	1.6	Royalite N..	21,655	6.30	6.40	6.10	6.35
.15	.05½	.....	....	Share Oils..	10,100	.06½	.06½	.06	.06½
.23	.10½	*.01	....	So. Brazeau..	9,500	.12½	.14½	.10½	.14½
.40	.22	.....	....	So West Pete	500	.30	.25	.25	.25
.20	.12	†.01½	....	Sunset.....	34,015	.18½	.19	.17½	.18½
.53	.32	.....	....	Superior...	14,500	.33	.34	.32	.33½
.47	.29	.....	....	Tower P....	8,000	.41	.41	.37	.37
.35	.08	.....	....	Turner V...	25	.15	.08	.08	.08
.17	.08	.....	....	United Oils.	7,000	.09	.08	.08	.08
.30	.19	.....	....	Vanalta....	500	.25½	.20	.20	.20
.30	.20	.....	....	Vulcan....	1,500	.21	.22	.22	.22
.20	.05	.....	....	Warner....	8,350	.07	.07	.06	.07

* N Y funds. ■ Extra. § Paid in 1947.
† Paid in 1948 * Paid or payable in 1949.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
June 20 ..	104,800	404,000	138,390	29,490	930,000
June 18 ..	......	......	......	......	....
June 17 ..	84,300	383,000	94,200	21,272	680,000
June 16 ..	100,100	406,000	88,875	33,432	840,000
June 15 ..	119,200	430,000	71,115	21,191	1,140,000
June 14 ..	130,200	604,000	83,075	41,628	1,370,000

STOCKS NOT TRADED THIS WEEK

Company	Div. rate $	Last sale	June 17 Bid	June 17 Ask
Mt. Royal Rice	.50+■.10	8½	8½	9
Murphy Paint	.80+†.20	21	20½	..
Nat. Brew. pref.	1.75	41½	40½	..
Nat. Grocers	.60+■.20	17½	12½	..
Nat. Hosiery A ..	.60	16½	16	16½
N. Sew. Pipe A ..	2.40	30	27	30
Nat. Trust	1.00	27½	26½	27½
Nor. Can. Mtge. ..	■.50	18	16½	22
Nor. Trusts	.80	34	..	..
N.S.L. & Pr.	1.00	17½	17½	18
Do. pref.	6.00	111½	110½	..
Ont. Beauty Sup. pref.	1.00+.10	12	..	12½
Ontario Loan	6.00	121½	121	125
Ont. Steel pref. .	7.00	130	124½	..
Paton Mfg.	.80	19	19	..
Do. pref.	1.40	28	24½	..
Paul, S. S.	..	16	14	18
Penmans	3.00	59½	..	65
Do. pref.	6.00	144	144	..
People's Cr. Sec. .	.25	6	4½	6½
Photo Eng. ... ■.75+.75		25½	25½	27
Purity Flour	.50	6½	7	8
Que. Telephone ..	.40	8½	8½	..
Quinte Milk A 60+■.10		8½	8½	9
Do. B	■.10	3.12½	3.00	..
R. & M. Bearings A	..	20	..	18½
Regent Knit.	.50	27	..	27
Do. pref.	1.60	25½	..	25
Reitman's	..	14	14	17
Do. 5% pfd.	1.00	16½	16½	..
Reliance Grain ..	■10.00	15	15	75
Renfrew Textile .	.60	6	5½	6½
Renold-Cov. A 1.10+.20▲▲		20	..	20
Rivers Mill B	2.00	13½	12½	15
Robertson P. L.	..2.00+■.50	42	42	44
Do. pref.	2.50	47½	44½	..
Robinson Cot.	.40+†.10	10	9½	10½
Robinson Little .	.80	10	9½	10
Do. A	1.00	15	..	16½
Rolland Pap.	..	7	6½	7
Russell Indust. pf.	7.00	605	..	..
St. Law. Flour ..	1.60	22	20	22

BUSINESS BAROMETER

	JUNE	MAY	APR.	MAR.	Year Ago
GOVERNMENT FINANCE (Millions of $)					
Dom. total expend.	....	....	74.9	....	66.6
Dom. total rev.	....	....	181.6	....	190.2
MERCHANDISING					
■Dept. store sales (3)	+9	+11	+15	+7.2	....
■Country store sales (3)	....	....	+7.8	+1.8	....
■Retail store sales (3)	....	....	+16.8	+5.6	....
■Wholesale sales index (1)	....	....	290.3	283.4	285.4
FINANCE					
■Dividend payment index (1) (5)	213.1	215.4	217.9	217.5	197.9
Money supply (millions $)	....	....	4,251	4,141	4,053
NEWSPRINT CAPACITY					
■Production ratio (7)	....	103.0	102.9	101.7	102.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	211.2	228.0	229.6
Cars (D.B.S. (1)	....	....	157.6	163.9	170.1
COST OF LIVING					
D.B.S. (1)	....	159.5	159.3	159.2	153.3
EMPLOYMENT INDEX					
All industries (6)	....	....	187.8	188.2	186.6
Payrolls (June 1/41=100) (2)	....	....	206.3	207.2	184.7
MANUFACTURING					
■Inventories (1941=100)	....	....	130.6	132.5	120.4
Employment (6)	....	....	203.1	203.0	202.9

	1949	1948	1949 Jan. 1 to date	1948 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week (June 11)	72.7	75.2	1,663.8	1,703.5	—2.3
C.N.R. gross rev. (Apr.)	40,355	40,941	156,001	147,611	+5.7
C.N.R. net rev. (Apr.)	1,607	4,165	—533	5,710	—109.3
C.P.R. gross rev. (Apr.)	30,137	27,320	115,603	105,079	+10.1
C.P.R. net rev. (Apr.)	1,305	1,323	1,623	2,630	—38.0
IRON AND STEEL PRODUCTION (000s omitted) (Mar.)					
Pig iron production (tons)	202.1	172.7	557.9	483.8	+13.2
Steel production (tons)	298.5	286.0	842.4	782.4	+7.7
CONSTRUCTION (000's omitted)					
Contracts awarded (Apr.)	79,794	83,694	280,498	209,238	+34.0
Cement prod., bbls. (Apr.)	1,340	1,105	3,565	3,117	+14.4
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Apr.)	1,587	1,952	6,233	7,515	—17.1
■Flour exp., bbls. (May)	919	1,715	4,149	5,403	—23.3
■Wheat exp., bush. (May)	22,549	12,206	74,580	46,933	+58.9
Cattle sales (May) (4)	102.0	105.3	562.5	591.6	—4.1
Hog sales (May)	316.4	403.7	1,713.9	2,432.8	—29.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Apr.)	32.7	35.9	224.1	275.9	—18.8
Landed value (Apr.)	2.1	2.4	7.1	8.1	—12.3
NEWSPRINT (000's omitted)					
■Production (May) (7)	443	421	2,169	2,024	+7.1
Exports, tons (Apr.) (7)	400	384	1,536	1,436	+7.0
MINING AND OILS (000's omitted)					
■Coal prod. (tons) (May)	1,327	1,362	7,765	7,178	+8.2
Gold prod. (fine oz.) (Mar.)	343	288	959	823	+16.5
Petroleum prod. (bbl.) (Mar.)	1,748	816	4,548	2,374	+91.6
ELECTRICAL POWER OUTPUT (000,000's omitted) (Apr.)					
Total monthly kwh	4,150	3,727	15,173	14,733	+3.0
FOREIGN TRADE (millions of $)					
Imports (Mar.)	235.9	197.1	665.7	585.3	+13.7
Exports (Apr.)	237.8	212.3	896.6	884.4	+1.4
FINANCE (millions of $)					
Bank debits (Apr.)	7,267	6,868	27,039	25,107	+7.7
■Bond sales (May)	229.5	175.2	1,674.9	1,986.1	—15.7
Life insurance sales (Apr.)	102.9	102.8	413.4	408.0	+1.3
OTHER INDUSTRIAL FACTORS (000's omitted)					
Shoe prod. (Mar.)	3,492	3,091	8,984	8,248	+8.9
Cigarette cons. (no.) (Apr.)	1,342	1,331	5,188	5,120	+1.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
■New item for week.

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.)

June 20, 1949

	Bid	Ask.
Allens Toronto units	45.00	....
Anglo Can. Tele. A	9.25	10.25
Ashdown Hardware B	11.00	....
Beauharnois L.H. & Pr.	19.25	20.25
Beauharnois Power	7.00	9.00
British Mortgage & Trust	185.00	....
B. C. Sugar	84.00	87.00
Can. Gen. Invest.	15.25	15.75
Candn. Gen. Sec. C	7.00	....
Can. Investors Corp.	7.75	8.50
Candn. Motor Lamp	11.25	12.50
Can. Silk Products A	15.00	20.00
Can. West Nat. Gas com.	65.00	....
Do. pfd.	18.50	19.50
Capital Wire Cloth com.	14.00	....
Chase, A. W. units	53.00	56.00
Colonial Steamships com.	118.00	120.00
Commercial Finance com.	17.50	....
Commercial Life 10% paid	9.50	11.50
Continental Life 20% paid	44.00	....
Cooksville A	10.00	11.50
Do. B	4.00	5.50
Cuban Can. Sugar com.	2.00	3.00
Detroit Intl. Bridge	15.00	16.00
Dover Industries Ltd.	10.25	11.25
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	22.75	23.75
Empire Life Ins. 25% paid	17.00	19.00
Foreign Power Co.	4.00	6.00
Galt Brass com.	....	33.00
Goderich Elevator & Trans.	14.00	15.25
Great West Life	410.00	425.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. Amer.	385.00	415.00
Guelph & Ont. Svgs. $50 par	61.00	....
Hart Battery com.	....	10.50
Hartz, J. F. A	9.50	10.50
Imperial Life	335.00	355.00
Lambton Loan & Inv. $50 p.	80.00	85.00
Laprairie com.	2.25	4.00
Do. pfd.	....	25.00
Loblaw Groc. Inc.	17.25	18.25
Manufacturers Life Ins.	340.00	380.00
Monarch Life 30% paid	106.00	....
Mountainview Apts. pfd.	24.00	29.00
Natl. Drug & Chem. com. N.	7.25	8.25
Do. pfd.	10.00	11.50
New Brunswick Telephone	11.50	12.50
Northern Tel. com.	1.70	2.15
Ont. & Que. Rly. 5% c. stks.	145.00	....
Peller Brewing com.	2.50	3.00
Do. pfd.	16.00	17.50
Prov. Bank of Can.	15.75	16.75
Prudential Trust	12.00	....
Quality Steels com.	....	.50
Ritchie Cut Stone pfd.	7.50	....
Sawyer Massey com.	2.75	3.50
Seiberling Rubber com.	5.00	6.00
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	43.00	....
Standard Fuel pfd.	38.00	40.00
Do. com.	3.00	5.00
Sun Life Assce.	490.00	510.00
Third Can. Gen. Inv.	3.00	4.00
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	3.50
United Steel A pfd.	24.75	26.00
Victoria Trust & Savings	135.00	....
Waterloo Manuf. com.	....	6.75
Waterloo Trust & Svgs.	123.00	127.00
Western Assurance com.	67.00	....
Western Grain com.	.90	1.25
Do. pfd.	20.00	23.00
York Trading Com.	10.50	12.00

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	June 17 Bid	June 17 Ask
Sangamo	.50	10	..	10
Sarnia Br. N.	■.40	6	6	6½
Scarfe & Co. A	.80	14½	14½	15½
Scythes & Co. 1.00+■.18		15½	14½	15
Do. pref.	1.25	25½	25½	..
Sher. Wms. .. .80+■.20		17	..	17
Shirriff's pref.	1.00	20	20	..
Silknit .60+■.40		15	14½	15½
Do. pref.	2.00	32½	32½	39
Simons & Sons	1.20	19½	18½	19½
Do. pref.	5.00	98½	97½	100
Int. Mining	...	4.75	3.50	..
Island Lake	...	.00½	.00½	..
Island Mountain	†.07	1.05	1.05	1.25
Jack Lake	...	.03	.02½	.02½
Jack Waite	...	.09½	.08	.10
Jacola	...	.03	.02	.02½
Kenville	...	.06½	.06	.10
Kerr Lake	*†.05	.30	.40	.60
Kootenay B.	...	.15	.15	..
Lake Fortune	...	.03½	.03½	.04
Lexindin	...	.07½	.07	.07½

§Paid in 1947. *N. Y. funds. ■Capital distribution.

Company Meetings

1949	Company	Place
June 23	Can. Lt. & Pwr.	Montreal
June 23	Can. & For. Inv. Corp.	Montreal
June 23	Lon. Hose.	London
June 23	Nat. Grocers	Toronto
June 24	East Koot. Pwr.	Montreal
June 24	Hasaga G. M.	Toronto
June 24	Int. Power	Montreal
June 24	Union Gas	Chatham, Ont.
June 24	Venture Ltd.	Toronto
June 25	Duvay G. M.	Toronto
June 28	Brazilian Tr.	Toronto
June 28	Nipissing M.	Toronto
June 29	Chateau Gai W.	Toronto
June 29	Decalta Oils	Calgary
June 29	Dom. Text.	Montreal
June 30	Mexican Lt. & Pwr.	Toronto
July 8	Calgary Pwr.	Montreal

Bond Tenders

12 noon, June 23, 1949—Canada Treasury bills, dated June 24, 1949, $75,000,000, payable Sept. 23, 1949.

Unlisted Mines, Oils

(Subject to Confirmation and Change)

	BID	ASK
Abacus	—	40
Abenakis	3	5
Abino	—	6
Abound	—	10
Ace Y.	1	2½
Adanac Q.	1½	4
Addington	1	2
Adele	—	10
Admiral Y	—	13
Adnaron	2½	3½
Adv R L	3	4
Aero P S		10.00
Aiguebelle	—	25
Aiken B L	—	8
Alad Gr	—	10
Albany o	6	—
Albany n	17	—
Alcan Y	1	3
Aldermac	1	1
Alex R L	4	6
Algonkian	42	45
Aljo	1	2
Allore	—	2
Altura	—	2
Alpha L	—	5
Alwyn	—	15
Am. Gold	—	18
Am. Kirk	6	7
Amber M	—	5
Amiartic	—	20
Amm Gold	1	2
Amorada	—	15
Ana Uran	13	15
Andrew Y.	—	75
Angus	63	65
Anna'que	2	3
Anoki	3	—
Apollo P	—	35
Arctic Y	7	9
Argonaut Y	1½	2
Argosy	4	—
Arken	—	10
Armada P	—	25
Arnecour	3	—
Arnt M C	1	3
Arnt G M	—	3
Aruba	—	15
Arrowh'd	—	7
Ascot M	48	50
Asher	1	3
Ash Long L	—	4
Auburn	78	85
Auconda	—	10
Audley	1½	2
Audora	—	3
August P	4	6
Aumo P	1	2

	BID	ASK
Donmaque	3	6
Dona Pat	1	2
Donrand	1	3
Don'd L	—	2
Don-X	—	12
Dorbaska	1	4
Dorion	1	3
Doris Y	1½	2½
Dortera	—	8
Double S	—	5
Dougall	—	20
Dougron	—	25
Dovercliffe	—	25
Drake Y	1	3
Drouma	—	7
Dubisson	—	10
Ducore	5	10
Dukel	—	5
Duluth R L	1	3
Dumar	1	—
Dumico	2	4
Dunford R	4	7
Duom'tic	—	5
Duport	—	12
Durex	—	20
Duroc	—	20
Durham	9	12
Dyke L	—	10
Eastcourt	—	18
East-Lun	—	20
Eastward	18	—
Echo Indin	2	3
Edena	40	—
Edgewater	—	12
Edwaska	2	3
El-Bonan	—	5
Electra P	1	3
Ellburn P	—	10
Elmac	2½	4
Elmos	3	—
Elora	—	15
Eltoro	—	10
Embury L	—	22
Erin Kirk	1½	2½
Erndale	7	9
Esther	—	25
Faulk L o	1	1½
Fenim Iron	8	15
Fernland	1	—
Figuery	—	15
Fiske	—	1
Fleetw'd Y	—	5
Fleming	2	4
Flicka	1	2
Flobec	1	1½

	BID	ASK
Lynwatin	1	3
MacA R L	—	3
MacBart	—	6
McF Cons	—	2
MacFort	—	6
Macjoe	1½	—
Mada Y	—	5
Magdelena	—	10
Magnet L	6	—
Magw'll LL	—	4
Mainbreak	—	10
Majormica	—	5
Malbar	—	20
Malbec	1	3
Malga	—	7
Mallen R L	2½	4
Mallick	1	3
Mandy	22	—
Manh Y	—	5
Man B C	—	20
Manterre	1	3
Marbenor	8	10
Marcourt	—	35
Mar RL '40	5	10
Mar Bar	—	10
Marquette	1	1½
Martin B	3½	4½
do u	3.00	—
Marwood	4	4½
Mary Ann	2	4
Maryl'd P	—	3
Mascot Ma	—	12
Massive Y	1	5
Matarrow	—	15
Mate Y	3	5
Match Can	6	—
Match C 2	7	30
Maylac	—	4
May Spiers	½	—
McC R L	4	6
McD '37	5	—
McFin R L	11½	15
McLaren P	—	7
McM R L	4	6
McMillan	½	2
McVit G n	3	—
McVit Kirk	1	3
Mensil	35	40
Mercury	5	10
Metalore	3	5
Mic-Mc M	—	15
Mid Cent	—	1
Middle Bay	2	3

	BID	ASK
Rich Gr	7	9
Rico R	—	10
Ritoria	1	3
Ritz Lar	—	6
Riverdale	—	35
Robb Mont	½	1
Rocdor M	—	5
Rocket I	—	11
Rockridge	—	15
Rodney	—	12
Roeanor	—	2
Ronal	—	5
Ronayne	—	15
Ronnoco	—	5
Rose G	—	10
Rossmore	—	1
Rouandah	37	42
Rouge d'Or	4	—
Rouyn R	—	3
Rouzone	—	18
Roy GS u	2.50	—
Rozak	—	15
Rual Porc	—	3
Rugged R L	1	3
Rusk Porc	—	8
Russett R L	3½	4½
do u	3.00	—
Russ Kid	1	5
Ryan Lake	—	25
Sachia R	4.25	—
Sagawana	—	15
Salmita	2	4
Sangold	1½	2½
Sanita	—	30
San Oro	—	10
San Pedro	—	20
Sanshaw	2	5
Santa Mar	—	30
Saudi Ar	1.75	1.85
Sava Y	—	10
Scott Chib	4	6
Scout Per	—	3
Seaforth	—	10
Senore	—	5
Sentinel M	2	4
Sepha	1	2
Sev Mal	3	5
Shawkey o	—	2
Shearzona	—	15
Sheldon	14	16
Shenan n	—	3
do o	—	2
Shewan C	—	25
Shunsby	10	15

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
1949: Weekly Figures:												
May 5	214.4	232.1	85.5	71.6	209.2	112.2	277.7	138.6	108.1	132.3	114.1	106.4
May 12	210.2	228.3	84.6	71.2	204.8	113.9	274.7	137.0	108.0	132.2	114.0	105.7
May 19	206.9	227.7	83.2	70.0	200.4	113.0	277.4	135.0	108.2	133.3	114.2	105.8
May 26	202.0	221.3	83.6	68.1	202.5	112.2	273.0	134.7	105.0	131.6	111.6	103.1
June 2	196.7	212.5	83.3	64.7	198.4	113.5	268.9	131.8	104.4	130.2	109.5	100.5
June 9	186.0	209.2	84.3	63.5	195.6	111.9	267.2	130.7	103.6	132.0	109.3	99.3
June 16	177.3	208.8	84.3	63.3	195.2	110.5	266.4	128.3	102.8	130.8	107.9	98.5

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 20	159.67	90.82	81.19	40.71
June 18	....	....	....	....
June 17	158.93	89.82	80.08	39.73
June 16	159.10	89.68	80.98	39.81
June 15	158.48	89.08	80.78	39.74
June 14	157.36	88.51	78.47	38.90
Month ago	169.66	96.33	88.41	49.27
Year ago	185.12	85.43	100.54	42.72
1949 High	182.74	104.72	110.34	58.43
1949 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
June 20	70.1	111.2	97.5	256.00	60.90
June 18	...	....	....	....	....
June 17	70.2	110.6	97.1	255.01	60.92
June 16	70.2	110.9	97.3	257.54	60.96
June 15	70.2	110.4	97.0	254.68	60.87
June 14	70.4	109.3	96.3	251.34	60.82
Month ago	72.3	118.3	103.0	281.53	64.61
Year ago	77.4	134.4	115.4	374.40	59.51
1949 High	73.9	132.4	112.9	343.31	69.50
1949 Low	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
June 20	165.49	43.28	34.05	59.26
June 18	....	....	....	....
June 17	163.78	42.22	33.82	58.50
June 16	163.94	42.11	34.06	58.57
June 15	164.58	42.43	34.08	58.83
June 14	161.86	41.41	33.89	57.88
Month ago	172.32	46.64	35.51	62.21
Year ago	189.71	60.56	35.62	70.04
1949 High	181.54	54.29	36.38	66.18
1949 Low	161.60	41.03	33.36	57.75

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	July 1	June 1
Do. $1.50 pf.	.37½	July 1	June 1
Do. $2.50 pf.	.62½	July 1	June 1
Acadia-At. Sug. A	.25+1.15	July 2	June 10
Aluminium pf.	.25	Sept. 1	Aug. 3
Am. Cyanamid	.37½	July 1	June 3
Anglo-Huronian	.15	July 28	July 4
Anglo-Can. Tel. pf.	.56¼	Aug. 1	July 8
Asbestos Corp.	.30	June 30	June 9
Do.	.30	Sept. 30	Sept. 8
Ashdown Hdwre. A	.15	July 1	June 10
Assoc. T. & T. $6 pf	†1.74	June 30	June 10
Do. 7% pfd.	†2.03	June 30	June 10
Auto Fab. A	.15	July 2	June 15
Do. B	.10	July 2	June 15
Bk. of Nova Scotia	.30	Aug. 1	June 30
Barber Ellis pfd.	1.75	July 15	June 30
Beatty Bros.	.25	July 2	June 15
Beaver Lumber A	.25	July 2	June 10
Do. pfd.	.35	July 2	June 10
Beld.-Cort.	1.50	July 2	May 31
Do. pfd.	1.75	July 2	May 31
Belgium Glove	.15	July 1	June 15
Do. pfd.	.25	July 1	June 15
Bell Tel.	.50	July 15	June 15
Biltmore Hats	.10	July 15	June 30
Do. A	.25	July 15	June 30
Braz. Tr. Lt. & Pwr. pfd.	1.50	July 2	June 15
T. G. Bright	.25	July 15	June 30
B. A. Oil	.25	July 2	June 7
Do. pfd.	.234375	July 2	June 7
B. C. Elec. 4% pf.	1.00	July 2	unstated
		Coup. 9-xd-June 29	
Do. 4½% pf.	1.19	July 2	unstated
		Coup. 3-xd-June 29	
B. C. Forest	.15	Aug.	
		Coup. 4-xc	July 29
B. C. Power A	.40	July 15	June 30
Brant. Cord.	.12½	July 15	June 20
Do. pfd.	.32½	July 15	June 20
Bralorne M.	.10	July 15	June 25
Building Prod.	.40	July 2	June 10
Burlington Steel	.20	July 2	June 10
Burns Co. A & B	.30	July 28	July 7
Do.	.30	Oct. 28	Oct. 7
Butterfly Hose.	.25	Sept. 15	Aug. 15
Do. pfd.	3.50	July 30	June 30
Can.-Amer. Tr. Shs.	.15	June 30	
Can. Bread	.10	July 1	Coup. 28
Do. 1st pfd.	1.12½	July 1	June 15
Do. Cl. B pfd.	.62½	July 1	June 15
C. Dry Ginger Ale	†.15	July 1	June 15
Do. pfd.	1.06¼	July 1	June 15
Can. Flooring B	.15	July 1	June 15
Can. Life Ins.	5.00	July 2	June 22
Can. Machine	.25	June 28	June 30
Can. Nor. Pwr.	.15	July 25	June 8
Can. Perm. Mtge.	2.00	July 2	June 20
Can. Steamship pf.	1.25	July 2	June 15
Can. Trust	4.00	July 2	June 3
Can. Varnish pfd.	.31¼	July 1	June 16
Can. West. Cord. A	.12½	Aug. 1	June 30
Candn. Bk. of Com.	.20	Aug. 1	June 20
Candn. Brew.	.50	July 1	May 31
Can. Bronze	.31	Aug. 1	July 11
Do. pfd.	1.25	Aug. 1	July 11
Candn. Can.	.31¼	July 2	June 10
Do. 1st pfd.	.25+.05	July 2	June 10
Do. 2nd pfd.	.15+.10	July 2	June 10
Candn. Cel.	.35	June 30	June 10
Do., $1.75 pf.	.43¾	June 30	June 10
Do., $1.00 pf.	.25	June 30	June 10
Candn. Cot.	.70	July 2	June 1
Do. pfd.	.30	July 2	June 1
Candn. Dredge	.25	Aug. 2	July 6
Do.	.25	Nov. 2	Oct. 6
Do.	.25	Feb. 2	Jan. 6
Do.	.17½	July 30	June 30
Candn. Fire Ins.	.40	July 2	June 20
Candn. Food	.18¾	July 1	May 31
Do. A	.25	July 1	May 31
Do. pfd.	1.12½	July 1	May 31
Candn. For. Inv.	.75	July 1	June 3
Candn. Gen. Elec.	2.00	July 1	June 15
Candn. Gen. Inv.	.20	July 15	June 20
Candn. Indemnity	.50	July 2	June 20
C. Ind. Alc. A & B	.17½	July 15	June 15
Candn. Ice Mach. A	.20	July 1	June 15
Candn. Ind. pf.	1.75	July 15	June 15
Candn. Ing.-Rand	1.00	June 28	June 14
Candn. Motor L.	.15	Sept. 15	Aug. 25
Do.	.15	Dec. 15	Nov. 15
Candn. Oil 4% pfd.	1.00	July 2	June 11
Do. 5% pfd.	1.25	July 2	June 11
Do. 8% pfd.	2.00	July 2	June 11
Candn. Pac. Rly. pf.	2%	Aug. 1	July 1
C. Refractories pf.	1.12½	July 15	June 28
Candn. Silk	.37½	June 30	May 31
Candn. West. Lum.	.10	July 15	June 17
Do.	.10	Oct. 1	Sept. 17
Can. Westinghouse	.50	July 1	June 14
Can. Wirebound A	.37½	July 2	June 10
Cardy Corp. A	.25	June 30	June 15
Cassidy's	.15+.15	July 2	June 2
Do. pfd.	1.75	July 2	June 2
Celanese Corp.	†.60	June 30	June 17
Do. $4.75 1st pf.	†1.18¾	July 1	June 17
Cen. Can. Loan & S.	2.00	July 2	June 21
Chatco Steel	.25	July 8	June 20
Chart. Trust	1.25	July 2	June 15
Cockshutt Plow	.20	Sept. 1	Aug. 1
Cons. M. & S.	.50+3.50	July 15	June 20
Consol. Litho.	.50	June 30	May 31
Cons. Paper	.50	July 18	June 6
Consol. Press A	.16¼	July 1	June 15
Consumers Gas	2.00	July 2	June 15
Craig Bit	.25	Aug. 1	July 18
Do. pfd.	.25	July 2	June 23
R. L. Crain	.10	July 2	June 15
Crown Cork & Seal	.50	Aug. 15	July 15
Crown Trust	1.25	July 2	June 20
David & Fr. A	.25+.25	June 30	June 16
Detroit Int. Bridge	†.40	June 30	June 17
Dom. Bank	.25	Aug. 1	July 15
Dom. Dairies	.12½	July 15	June 30
Do. pfd.	.44	July 15	June 30
Dom. Glass	.25	July 15	June 28
Do. pfd.	.35	July 15	June 28
Dom. Foundries	.35	July 2	June 10
Dom. Oilcloth	.40	July 29	June 30
Dom. M.	.17½	July 31	June 30
Dom. Malt.	.25	Aug. 1	July 8
Do. pfd.	1.25	Aug. 1	July 8
Dom. Stores	.37½	Sept. 15	Aug. 18
Dom. Square	.50	July 15	June 15
Dom. Tar & Chem.			
Do. & V.T.	.25	Aug. 1	July 2
Do. pfd.	.25	July 2	June 1
Dom. Textile	.15	July 2	June 3
Do. pfd.	1.75	July 15	June 15
Donnell & Mudge A	.25	July 1	June 10
Dunlop Tire pfd.	.62½	June 30	June 15
East Leduc O.	.01½	July 2	June 15
Easy Washing	.25	July 2	June 15
Emp. Brass A	.25	July 15	June 30
Do.	.25	Oct. 15	Sep. 30
Enam. & Heat.	.50	July 30	June 30
[illegible] Flooring	*.40	June 30	June 30
Esmond Mills pf.	.25	Aug. 1	July 8
Do.	.25	Nov. 1	Oct. 7
Estabrooks, T. H. pf.	.26	July 15	June 18
Famous Players	.25	June 25	June 10
Fanny Farmer	†.37½	June 30	June 15
Fed. Fire Ins.	1.00	Aug. 16	Aug. 11
Fernie Brew.	.80+.40	July 2	June 19
Fibre Pro. pfd.	.25	July 15	June 30
Fittings A	.30	July 1	June 6
Foundation of Can.	.85	July 22	June 30
Fraser Cos.	.50	July 25	June 30
Do. pfd.	1.19	July 1	June 30
Gat. Pwr.	.30	July 1	June 1
Do. 5% pfd.	1.25	July 1	June 1
Do. 5½% pfd.	1.38	July 1	June 1
Gen. Pet. A & ord.	*.02	July 15	June 15
Gen. Prod's A & B	.50	July 15	June 29
Do. pf.	2.50	July 15	June 29
Goderich Elev. & Tr.	.50	July 2	June 15
Gold. Manitou M.	.05	July 2	June 10
Goodyear Tire	1.00	July 2	June 10
[illegible] A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Grand & Toy	.15	July 30	June 20
Gt. Lakes Pap.	.25	June 30	June 10
Do. A	.62½	June 30	June 10
Do. B	.30	June 30	June 10
Gt. West Felt	.30	Oct. 1	Sept. 20
Do. pfd.	.12½	July 1	June 16
Gt. West Life Ass.	5.00	July 2	June 20
Gt. West Sad. 2 pf.	.75	June 30	June 20
Greening Wire	.05	July 2	June 1
Guelph & Ont. Sav.	1.25	July 2	June 20
Guelph Trust	1.25	July 2	June 20
Gypsum, Lime	.25	Sep. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
Hahn Brass	.30	July 1	June 8
Do. pfd.	.50	July 1	June 8
Ham. Bridge	.12½	June 30	June 15
Harding Carp.	.20	July 2	June 15
Hart Battery	.10	June 30	May 26
Hendershot Pap.	.25	July 2	June 17
Hinde & Dauch P.	.25	July 2	May 31
Highland-Bell	.05	July 15	June 17
Hollinger Cons. M.	.06	June 30	June 2
F. W. Horner A	.12½	July 2	June 1
How. Smith Pap.	.50	July 30	June 30
Do. pfd.	.50	July 20	June 30
Hubbard Felt A	.75	July 1	May 31
Hunts A & B	.10	July 2	June 15
Huron & Erie Mtge.	1½%	July 1	June 15
Do. com.	.20	Aug. 1	June 30
Hydro Elect. Sec. pf.	.25	Aug. 1	June 30
Imp. Bank	.30	Aug. 1	June 30
Imp. Life	3.75	July 1	June 30
Imp. Tobacco	.12½	June 30	May 17
Do. 4% pfd.	.25	Aug. 1	June 21
Ind. Accept.	.37½	June 30	June 1
Do. 4¼% pfd.	1.06¼	June 30	June 1
Do. 5% pfd.	1.25	June 30	June 1
Ing. Mach. & Tool A	.12½	July 1	June 15
John Inglis	.10	July 1	June 17
Intercolonial Coal	1.00	July 2	June 20
Do. pfd.	4.00	July 2	June 17
Int. Holding	.60	Aug. 15	July 15
Int. Bronze pfd.	.37½	July 15	June 15
Int. Metal A	.40	July 2	June 9
Do. B	.40	July 2	June 9
Do. pfd.	1.12½	July 2	June 9
Int. Milling pfd. 4%	†1.00	July 15	June 30
Int. Nickel pfd.	†1.75	Aug. 1	July 5
Int. Paper	†1.00	June 29	June 6
Do. pfd.	†1.00	June 29	June 6
Int. Power	.62½	July 2	June 10
Int. Utilities	†.25	Sept. 1	Aug. 12
Inv. Found. pf.	.75	July 15	June 15
Jam. Pub. Serv. Ltd.	.25	July 2	May 31
Jam. P. Serv. Co. p.	1.75	July 2	May 31
Journal Pub.	.20	July 15	June 18
Kerr-Addison G. M.	.15	June 28	May 31
John Labatt	.25	July 2	June 15
J. A. Lang	.25	July 2	June 10
Laur. Accept. pf.	.25	July 31	July 15
Do.	.25	Oct. 30	Oct. 15
Leduc West O.	.04	July 2	June 10
C. W. Lindsay pf.	4.00	Aug. 1	July 1
M. Loew's Theat.	1.00	June 30	June 10
Lon. Hose.	.15	July 1	June 15
Do. A	.20	July 1	June 15
W. M. Lowney	.25	July 15	June 15
H. R. MacMillan A	.12½	June 30	June 10
Do. B	.12½	June 30	June 10
McCarthy Milling A	.27½	July 2	June 15
Do. B	.07½	July 2	June 15
McColl-Front. pfd.	1.00	July 20	June 30
McIntyre Porc. M.	.50½	Sept. 1	Aug. 2
Manufact. Life	7.00	July 2	June 24
Mailman Corp.	.25	June 30	June 15
Maple Leaf Gard.	.25	July 15	July 2
Mar. T. & T.	.20	July 15	June 20
Do. pfd.	.17½	July 15	June 20
L. McBrine	.50	July 1	June 15
Melchers Dist. pfd.	.30	June 30	May 31
Mercury Mills. N.	.15	Aug. 2	July 15
Mersey Pap.	.50	July 2	June 11
Do. pf. 4½%	1.12½	July 2	June 11
Minas Bas.	.40	July 2	June 15
Minn. & Ont. Pap.	†.25	July 20	June 30
J. S. Mitchell	1.00	July 2	June 16
Robt. Mitchell	.50	Dec. 15	Nov. 15
Mod. Containers A	.25	July 2	June 20
Molson's Brew.	.25	June 24	June 3
Mon. Knit.	.25	July 2	May 31
Do. pf.	1.12½	July 2	May 31
Mon. Life 30% pd.	6%	July 2	June 17
Mon. Mortgage	.50	June 30	June 6
Mtl. Locomotive	.40	July 2	June 2
Mtl. Refrig. & Stor.	.75	June 30	June 14
Mtl. Telegraph	.50	July 15	June 15
Moore Corp.	.75	July 2	May 27
Do. 4% pfd.	.25	July 2	May 27
Do. Cl. A & B	†1.75	July 2	May 27
Murphy Paint	.20	June 30	June 13
Nat. Biscuit pfd.	†1.75	July 15	June 7
Nat. Brew.	.50	July 2	June 10
Do. pfd.	.44	July 2	June 10
Nat. Hose. A	.15	Oct. 1	Sept. 2
Do.	.30	Oct. 1	Sept. 2
Do. Cl. B	.30	July 1	June 3
Do. A	.15	Jan. 1	Dec. 2
Do.	.15	Jan. 1	Dec. 2
Nat. Grocers	.15+.20	July 1	June 15
Do. pf.	.37½	July 1	June 15
Nat. Hosiery A	.15	July 1	June 3
Do.	.15	Oct. 1	Sept. 2
Do. cl. B	.30	July 1	June 3
Do.	.30	Oct. 1	Sept. 2
Nat. Steel Car	.37½	July 15	June 15
Nat. Trust	.25	July 2	June 15
New Eng. Elec. Sys.	†.20	July 1	June 14
Niagara W. W.	.40	July 2	June 14
Normetal M.	.10	June 30	June 3
North Star Oil pf.	.08½	July 2	June 4
Nor. Can. Mtge. pf.	.50	July 1	June 16
N. S. Lt. & Pwr.	.25	July 2	June 4
Ogilvie Flour	.25	July 2	May 26
Ont. Beauty Sup. pf.	.25	July 2	June 20
Do.	.25	Oct. 2	Sept. 20
Ont. Loan	1.25	July 2	June 15
Ont. Steel Pro.	.25+.25	Aug. 15	July 15
Do. pfd.	1.75	Aug. 15	July 15
Ottawa Elec. Rlwy.	.40 ext.	July 1	June 10
Ottawa L. H. & Pr.	.15	July 1	June 10
Do. pf.	1.20	July 1	June 10
Page-Hersey	.45	July 1	June 15
Paramount Pic.	†.50	June 24	June 3
Paramount Pic.	†.50	June 24	June 3
People's Cred. Sec.	.25	July 15	June 30
Perron G. M.	.01	July 29	June 27
Pickle Crow G. M.	.10	June 30	May 31
Power Corp.	.45	June 30	May 31
Do. 6% 1st pf.	1.50	July 15	June 20
Do. 6% 2nd pf.	.75	July 15	June 20
Premier Tr.	1.00	June 30	June 18
Pressed Met.	.25	Sept. 1	Aug. 10
Do.	.25	Dec. 1	Nov. 10
Preston E. D. M.	.01½	July 15	June 15
Price Bros. pf.	2.00	July 1	June 6
Proprietary M.	.15	June 28	May 31
Que. Manitou M.	.02	July 2	June 10
R. & M. Bearings A	.28	July 2	June 15
Regent Knit. pf.	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's 5% pfd.	.25	Aug. 1	July 15
Renold Cov. A	.28+.05	July 1	June 15
Rem. Rand	.25	July 1	June 8
Do. pfd.	1.12½	July 1	June 8
Renfrew Text. A	.15	July 1	June 10
Riverside Silk A	.50	July 2	June 14
P. L. Robertson	.50+.50	July 1	June 20
Do. pfd.	.62½	July 1	June 20
Robinson Cot.	.10	Aug. 1	July 1
Rob. Little	.20	June 30	June 15
Russell Ind.	.20	June 30	June 10
Do. pfd.	1.75	June 30	June 10
Sag. Pwr. pf.	1.06	July 1	June 10
St. John D. D. pfd.	1.12½	July 1	June 23
St. Law. Flour	.40	Aug. 1	June 30
Do. pfd.	1.75	Aug. 1	June 30
Saudi-Arabian M.	†.10	June 30	May 23
Scarfe & Co. A	.20	Aug. 1	July 15
Do. B	.10	Aug. 1	July 15
Shaw. W. & Pwr. A pfd.	.50	July 2	June 2
Sheep Creek G. M.	.02	July 15	June 30
Sherwin-Will. pf.	1.75	July 2	June 10
Do. com.	.20	Aug. 1	July 14
Sick's Brew.	.25	June 30	May 30
Do. V.T.	.25	June 30	May 30
Sigma M.	.25	July 29	June 29
Silverw'ds Dair. A	.15	July 2	June 6
Do. West. pfd.	1.25	July 2	June 6
N. Slater	.30	Aug. 1	July 9
Do. pfd.	.53	July 15	July 2
So. Can. Pwr.	.30	Aug. 15	July 20
Do. pfd.	1.50	Aug. 15	July 20
Spring. Sturg. G.	.03	July 5	June 15
Stan. Brock A	.15	Aug. 1	July 11
Do.	.10	Aug. 1	July 11
Stand. Radio A & B	.10	July 11	June 21
Stedman Bros.	.20	July 2	June 15
Steel Co. ord. & pf.	.75	Aug. 1	July 7
Sterling Tr.	1.50	July 2	June 15
Sun Life	5.00	July 1	June 15
Sun Trust	2.50	June 30	Apr. 30
Super Serv. 4½% pf.	.11¼	Sep. 15	Aug. 22
Do.	.11	Dec. 15	Nov. 22
Supertest Pet. com. & ord.	1.25	July 15	June 17
		Coup. 59-xc	July 14
Do. pfd. B	.75	July 15	June 17
Sylvanite G.	.01½	July 2	Apr. 26
Tamblyn	.25+.05	July 2	June 10
Do. pfd.	.50	July 2	June 10
Thrift Stores	.25	July 2	June 15
Tip Top Tailors	.15	July 2	June 1
Tooke Bros.	.10	July 4	June 15
Tor. Gen. Tr.	1.75	July 2	June 10
Tor. Iron	.15	July 2	June 15
Do. A	.15	July 2	June 15
Tor. Mortgage	1.25+.25	July 1	June 15
Traders Fin. A & B	.25	July 2	June 15
Do. pfd.	1.12½	July 2	June 15
Tuckett Tob. pf.	1.75	July 15	June 30
Union Gas	.12½	Aug. 2	July 7
United Fuel Inv. pf.	.75	July 4	June 10

Market Comment

What stocks and bonds are doing and what prominent observers say

By midweek, both Canadian and U. S. markets were staging a half-hearted rally which threatened to run out of buying steam. The Dow-Jones industrial average had managed to crawl back to the 165-166 area from last week's 3½ year low point of 161.60. Canadian industrial stocks as measured by the Toronto Stock Exchange industrial index had tacked on 3½ points at 159.91.

The market's performance following penetration of the 3½ year low would suggest a further extension of the current rally in the event any favorable news was forthcoming. Daily volume indications however are still inconclusive and majority of investors, while realizing bargain opportunities of many stocks on yield and price-times-earnings standards, are determined to wait out the present uncertain market phase. That an attractive turning point is somewhere ahead and daily drawing closer, most traders are agreed, but this time they don't want to be taken in by what might just turn out to be a technical rally and one that could be followed by further and more sustained market weakness.

Almost every week sees another investment house get onto the gold bandwagon. If a poll were taken among Canadian and U. S. investment officials as to which stock groups they considered most likely to rise over the next year, there is little doubt that golds would be near, if not at, the top of the list.

* * *

HUGH MACKAY & CO. (St. John, N.B.)

The postwar bull market peak of 212.50 (Dow-Jones Industrials) was made on May 29, 1946. We have now entered the fourth year of the downtrend. In duration, but not in severity, this exceeds the 1929-1932 depression. However business activity in general in the United States has been in a decline for only about seven months—although there has been a rotating adjustment taking place by a number of individual industries ever since 1946.

It is only natural that there should be a tendency, on the part of equity buyers to await the influence on share prices of lower earnings and dividend reductions to come. With a view to making substantial purchases the experienced investor will, no doubt, be watching carefully for the period when the market becomes immune to bad news. In view of the piecemeal type of deflation which has taken place in business, it might very well be logical to expect that the bottom of the bear market will also come in different stages. To follow a plan of watching for various "sold out" situations, would seem a worthwhile and profitable policy to pursue.

* * *

CLIFTON C. CROSS (Calgary)

With a steady decline in security values reported on all Exchanges, it is difficult to come to a conclusion other than that an excellent opportunity exists today for investors to realize good profits on all seasoned stocks held or purchased at present prices.

Considering Western Oils in particular, it appears that prices have been reduced not only in sympathy with other markets, but because of the fear of overproduction which may have reached the point that the investing public have over-discounted this factor. It is only a matter of time before pipelines for gas and oil will become an eventuality providing wider market outlets. When this time arrives, possibly the holders of producing oil stocks will then see market values that more nearly reflect the true values behind the stocks.

In my opinion there are many good oil stocks on the bargain counter at present prices and should be purchased as an investment that I anticipate will not only provide handsome returns, but substantial capital appreciation. Lately there has been a noticeable reluctance on the part of the smaller private investor in speculative oil ventures. This may be caused to some extent by the fact that the public holds sufficient oil stocks in newer ventures of speculative nature. In other words a saturation point may have occurred. Also there seems to be a general feeling amongst smaller shareholders that companies able to pay dividends are prone to spend earnings on additional development which could if unsuccessful eliminate the possibility of any return to shareholders.

It is most desirable that the investing public not only get capital appreciation but dividends. Both of these are probable in many Western Oils at present prices. Even so, it is a matter of interest that Canada through Alberta oil stands to become a very much richer country and for this reason, if none other, I am optimistic for the future.

* * *

MILNER, ROSS & CO. (Toronto)

It is apparent that until the extent of the present deflationary trend can be determined, there will continue to be a strong demand for gold stocks on the part of investors looking for a safer haven for their capital. Over the longer term the prospect of an eventual increase in the price of gold has attracted the attention of investors seeking capital appreciation.

In addition to lower costs, many companies will benefit through increased production and greater efficiency of operation as postwar expansion and development work begins to pay off, and government cost-aid and tax concessions are also of considerable importance. The net result should be an improvement in earnings enabling greater dividend distributions to shareholders, as gold mining companies normally pay out a major part of their earnings each year.

We recommend the purchase of shares of well-situated gold producers at this time.

* * *

THOMSON & McKINNON (New York)

The extent which the postwar boom lifted the physical volume of goods is illustrated by the comparison of the output figures last year and in the previous prewar boom year of 1937.

For example, steel ingot production last year was 56% over 1937, zinc output 44%, sales of refrigerators 91%, sales of radios 98%, crude oil production 58%, gasoline output 61% and dwelling units started, over 173%.

These figures pose the question as to whether or not it may be the case that the industrial plant of the nation in the last year or so has turned out more goods than can be absorbed in the domestic market and whether or not further curtailments will be seen if exports should decline more and if domestic distribution is further adversely affected by a drop in consumer purchasing power.

INTERNATIONAL URANIUM MINING CO. reports that the option granted to Torny Financial Corp. under agreement of Dec. 8, 1948, on 900,000 shares at 40c to $1 a share has not been exercised and the agreement has been terminated by mutual consent.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 21, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	67½	70½	67
†Assoc. Tel. & T.	5½	'55	105	...	105
Bell Telephone	3	'77	96½	99½	96½
B.C. Electric	3½	'67	92½	95½	92½
Calgary Power	3½	'72	96	...	96
East Kootenay	3½	'67	88½	91½	88½
♦Gatineau Pr. D	3½	'70	99½	102½	99½
*Do. C	3	'70	98	101	98
Gt. Lakes Pwr.	3½	'67	97	100	97
*Int. Hydro-El.	6	'44	69½	71½	69½
L. St. Law. Pwr.	3½	'65	95	98	95
Maclaren-Quebec Power	3	'69	94	97	94
†Mtl. Trams. A	5	'55	92	95	92
Nat. Lt. & Pwr.	4½	'61	100	...	100
Nor. Que. Pwr.	4½	'67	98½	101½	98½
Ott. L.H. & Pr.	4	'57	100	...	100½
Power Corp.	3½	'67	96	99	96
Quebec Power	3	'62	97½	100½	97½
Saguenay Pwr.	3	'71	99	...	99
St. Maurice Pr.	3½	'70	97½	100½	97½
Shaw W. & Pr.	3	'61	98½	101½	98½
Shaw W. & Pr.	3	'71	94½	97½	94½
Do.	3½	'70	99½	102½	99½
Union Gas	4½	'50	100½	103½	100½
Un. Fuel Invest.	4	'59	101	...	101
United Secs.	3	'52	99	...	99
Wpg. Electric	3½	'71	101½	104	101½
Industrial Issues:					
Abitibi Pr. P.	3½	'67	97½	100½	98
Acadia-Atlantic Sugar	3½	'65	101	...	101
Aluminum Co.	3½	'74	101½	...	101½
Bathurst P. & P.	3½	'68	99	...	99
B.C. For. Prod.	4	'66	91	94	91
B.C. Pulp & Pa.	3½	'67	94½	97½	95
Bowater's Nfld. P. & P.	3½	'68	95	98	95½
Brompton Pulp & Paper	3½	'66	92½	...	92½
*Brown Co.	5	'59	89	92½	91
Burns & Co.	4	'63	97½	100½	97½
Can. Steamship	3½	'57	99	102	99
Can. Brew.	3½	'67	91½	94½	91½
Can. Celanese	3	'62	97	...	97
Can. Oil	3½	'62	97	100	97
Can. W. Lum.	4	'62	100	...	100
C.P.R.	3½	'51	101	...	101
Do.	4	'49	100	...	100
C.P.R.	4	Perp.	105	...	105
Cockshutt Plow Co.	4½	'65	100½	103½	100½
Columbia Cell.	5	'68	100	103	100
Consol. Paper	3½	'67	101	103½	101
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	100½	...	100½
Dom. Textile	3½	'59	101	...	101
Dom. Woolens	5	'64	100½	103	100½
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	98½	101½	98½
E. B. Eddy	4	'66	101½	104½	102
English Elec.	4	'67	97	...	97
Federal Grain	4	'64	98	101	98
Gt. Lakes Pap.	3½	'67	99½	...	99½
Imp. Tobacco	2½	'66	96	99	96½
Indust. Accept.	3½	'66	95	98	94
Lake St. J. P.	5	'61	101½	104	101½
Lang, John A.	4½	'62	101	...	101
Laurentian Silk	4½	'67	99	...	99
MacMillan (H. R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	96	99	96½
Massey-Harris	3	'66	94	...	94
Do.	4½	'63	101	103½	101
McColl-Front.	3	'71	94½	97½	94½
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'66	100	...	100
Morgan (Henry) Prop.	3½	'67	98½	...	98½
N.S. Steel Coal	3½	'63	98	101	98½
Penman's	3½	'66	99½	...	99½
Price Bros.	3½	'66	100	103	100
Silv. Dairies	4	'60-64	97	100	97
Do.	4	'71	88	93	88
Simpsons Ltd.	3½	'60	101½	104	101½
Stl. Co. of Can.	2¾	'67	94	97½	94½
Tor. Elevators	3½	'66	98	...	98
United Corp.	4	'58	100	...	100
United Steel	4	'60	99½	...	99½
Un. Grain, Gr.	4	'63	100½	...	100½
†Western Grain	5	'63	83½	87	84
York Knit. Mills	3½	'71	89	92	89

*Payable in Canada or United States.
•Payable in United States.
†Payable in Canada, U. S. or U. K.
♦Payable in Canada only.
▲Payable in Canada or U. K.

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
United Steel	.15	June 30	June 15
Verney Corp. pfd.	.56	July 1	June 16
Viau Ltd.	.25	July 2	June 10
Do. pfd.	1.25	July 2	June 20
Viceroy Mfg.	.15	Sept. 15	Sept. 1
Vic. Tr. & Sav.	1.50	July 2	June 15
Wabasso Ltd.	.25	July 2	June 11
Waterloo Tr. & Sav.	2.75	July 2	June 23
Wellington Fire Ins.	1.75	Aug. 15	Aug. 11
Wesley Mason M pf	1.37½	Aug. 1	July 15
West. Assur. 12% pf	1.20	July 2	June 28
West Koot. Pwr. pf.	1.75	July 2	June 17
West. Breweries	.40	July 15	June 20
West. Grocers A	.50	July 15	June 15
Do. pfd.	.35	July 15	June 15
Geo. Weston	.25	July 2	June 10
Willson Stat. pf.	1.25	July 15	June 30
Winnipeg Elec.	.70	June 30	May 16
Do. pf. 5%	2.50	June 30	May 16
Wilsil Ltd.	.25	July 2	June 1
Wool Comb.	.40	July 11	June 25
Woods Mfg.	.50	June 30	May 31
Wright-Har. M.	.03½	July 2	May 27
York Knit. A	.03½	July 2	May 27

†American funds.
*Initial.

New Highs & Lows

During the week ended June 18, five new highs were recorded among the general stocks on Canadian Stock Exchanges and 96 new lows. In the mining group there were two new highs and 60 lows. There were 17 new lows among Western oils.

GENERAL

New Highs—1949

Consol. Press B
Gt. West Felt
Hunts B
D. A. Stuart pfd.
United Fuel B

New Lows—1949

Abitibi P. $1.50 pf.
Acadia Atlantic A
Acme Glove
Aluminium
Amalg. Electric
Argus Corp.
Do. 4½% pfd.
Bathurst Pwr. B
Beatty Bros.
Blue Ribbon
Do. pfd.
B. C. Pulp & Pap.
Burlington Steel
Butterfly Hosiery
Canada Bread
Canada Iron
Do. pfd.
Can. Machine
Can. Safeway pfd.
Can. Steamship pf.
Candn. Breweries
Candn. Canners
Do. 2nd pfd.
Candn. Car
Do. A
Candn. Celanese
Candn. Collieries
Candn. Convert. A
Candn. Food
Do. A
Candn. Locomotive
Candn. Pac. Rlwy.
Candn. Vickers
Coast Breweries
Circle Bar Knit A
Comm. Alcohol
Cons. Lithograph
Cons. M. & Smelt.
Consol. Paper
Crown Trust
Dom. Dairies
Dom. Foundries
Dom. Square
Donnacona Paper
Do. pfd.
Dryden Paper
Eddy Paper
Famous Players
Fanny Farmer
Federal Grain pfd.
Fleet Aircraft
Ford Motor A
Fraser Cos.
Gatineau Pwr.
General Bakeries
Gen. Steel Wares
Goodyear Tires
Gt. Lakes Paper
Hayes Steel
Huron & Erie Mtge.
Int. Bronze pfd.
Int. Metal Indust.
Int. Nickel
Int. Paper
London Hose A
Lowneys
MacMillan Exp. B
Massey-Harris
Mercury Mills N
Minn. & Ont. Paper
Montreal Locomo.
Moore Corp.
Do. A pfd.
Do. B pfd.
Nat. Steel Car
Ont. Beauty Supp.
Powell River
Power Corp.
Pressed Metals
Price Bros.
Quinte P. & P. pf.
Renfrew Textiles
Rolland pfd.
Royal Bank
Russell Industries
St. Law. Corp. 2 pf.
Shawinigan Pwr.
Sidney Roofing
Silverw'ds W.D. pf.
Simpsons pfd.
N. Slater pfd.
Trans-Television
United Fuel
Wool Combing
York Knitting B

MINING

New Highs—1949

Coniagas
Jellicoe

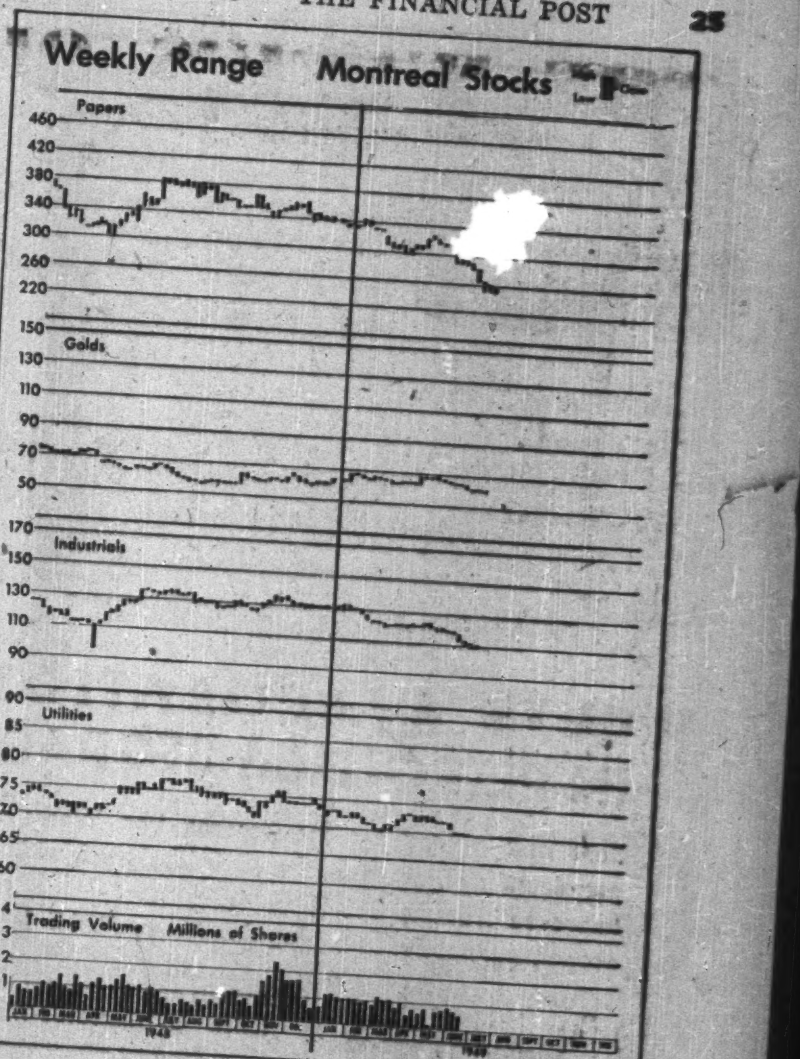
New Lows—1949

Anacon L'd
Bagamac
Bankfield
Barymin
Brewis
Buffadison
Buff. Ank.
Buff. Can.
Calber B.
Castle Tre.
Cent'que
Coniagas
Cons. B'ttie
Cons. Lebel
Discovery
Duvay
East Amph.
East Sull.
Elder
Eldona
Falconbridge
Glenora
Goldale
Gold. Man.
Grull W.
Gwillim L.
Hosco
Kay Rand
Kirk. G. G.
Laguerre
La Luz
Macfie
MacLeod-C.
Marcus G.
Martin McN.
N. Alger
N. Calumet
N. Goldvue
N. Marion
N. Rouyn
N. Thurbois
Nipissing
Normetal
Norpick
North Inca
Osulake
Placer Dev.
Que. Lab.
Que. Man.
Sheep Cr.
Steeloy
Steep Rock
Sullivan
Taku
Torbrit S.
Towagmac
United Keno
Ventures
Vinray
West Mal.

OILS

New Lows—1949

Acme G. & O.
Anaconda
Anglo Can.
Calg. & Ed.
Calnorth
Cent. Leduc
Decalta
General P. A
Grease Cr.
Home
Leduc West
National P.
Pan West
S. Brazeau
Turner V.
United Oils
Warner



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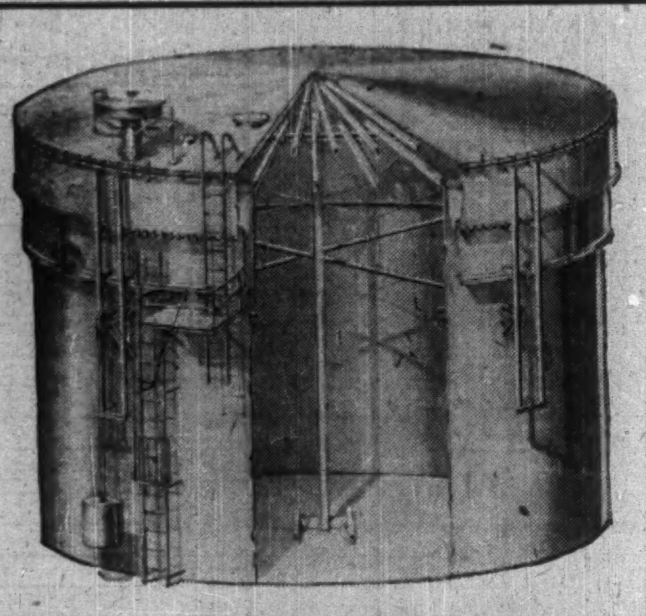

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28,600 Bbls. An Acre

For the lush new 640-acre square mile of Redwater land, oil reserves are now estimated at 18,300,000 barrels gross or approximately 28,600 barrels per acre. Allowing for a 12.5% participating interest of a syndicate partner in Royalite's Redwater section, and a 12.5% royalty to the government on oil produced, the big independent can still count on 14,010,000 barrels of oil, bringing over-all reserves up to about the 18.5 million barrel mark. That's about a half million barrels in excess of four times reserves at the end of 1948 and approximately $50 millions of oil at current prices.

On Royalite's new capitalization of 2,869,948 shares that works out to about $17 a share. Of course, this revenue will only be realized over an extended period; and production costs, taxes etc., will be deductible.

The Royalite new oil resources were won at a development cost which probably was not much in excess of $800,000, it is estimated. Again there was a partner when it came to sharing costs.

Huge oil reserves built up improve the long-term prospects of Royalite immeasurably, make the current prospect a lot brighter too. If reduced oil prices—and proration —hadn't intervened, there would have been a large immediate inflation of earnings.

As it is, Royalite will probably show a net profit in 1949 about the same as the 50 cents a share of 1948 if exploration is maintained at about the same level as at present. Revenue from Redwater oil is not only offsetting the drop in price of crude but also the natural decline in productivity of Turner Valley wells. If Redwater wells were permitted to produce 600 barrels a day as they did at first — as against a current 125 barrels daily — Royalite dollar revenue from oil would be running about four times the 1948 level.

Pipeline Important

Completion of a pipeline to the east may be a very important factor in giving Royalite output a real fillip upwards. The 16 Royalite Redwater successes show an average daily open flow potential of 2,200 barrels, ranging from a low of 1,600 barrels to a high of about 2,700 barrels.

No one expects that any of the wells will ever be produced at their full open flow potentials. But ability to produce on a much larger scale is really there when conditions permit. Actually, marketing conditions may require even stiffer prorationing in western fields in the next six months. The management is looking for a cure of the marketing problem only when eastern markets become available.

After spending about $2,768,000 net on purchase of section at Redwater and the better part of a million for development costs, Royalite still finds itself in a strong liquid position. Working capital at the beginning of the year, before the Redwater purchase, totalled $6 millions. Since then a 51% interest in Dalhousie Oil Co. has been disposed of for a substantial cash return. Operating earnings have been running better than 50% in excess of dividends requirements.

It is the present plan to maintain a strong liquid position as a matter of well-thought out policy.

There appear to be good reasons to think that in six months' time, there may be a drop in prices at which good Crown acreage can be secured. This no doubt was a factor which influenced the management in not making a bid for the Redwater section adjoining Royalite's section and which recently went for a record price of $3,223,320.

A second factor is the realization that should the company's wildcatting program prove successful the management must be prepared to drill a great many step-out wells over a relatively short space of time.

The Royalite Peavey well in the Morinville area was not successful but geophysical, geological and core drilling work has been started in both the Monitor and Grimshaw areas of Northern Alberta recently and this work could be productive of the new field sought.

The Royalite-Texaco-Samson No. 1 well in the Samson area is also getting down to depth where something might be turned up.

A further well is expected to get under way shortly in the Blackfoot Indian Reserve but work in the Lac LaBiche area probably won't be resumed until frost sets in.

Royalite began its life as an independent only last January. It is today firmly established both in terms of oil productive potential and cash in the bank. And from present appearances, it appears likely to be a big factor in keeping Canadians well up in the race for western

Chileans Turn Heat on U.S. To Keep Tariff Off Copper

If the U.S. reimposes its 2-cent-a-lb. tariff on foreign copper as is proposed in a new bill, it will represent the "crudest possible blow" against U.S. policy for hemispheric solidarity. That is what a Chilean ministry official declared immediately before representations to the U.S. Government.

Chileans more concerned than Canadians, Mexicans and Peruvians about the sinking copper market are looking to the White House for a solution of their economic problem. It was put up to the president personally and to the U.S. Department in Washington by a special Chilean cabinet minister this week.

Copper revenues are reported to be practically life and death matters in Chile with its population of 5,500,000. The bulk of Chile's copper is sold in the U.S. and the price is now down to 16 cents a lb. against a postwar high of 23.5 cents a lb.

The Chilean ministry said the declining market had already produced a serious economic problem and added that the tariff would not only aggravate the crisis but also would not help the U.S. copper industry.

COMPANY REPORTS

PATO CONSOLIDATED experienced a decline in net profits to $173,361 or five cents a share in the eight months ended Dec. 31, 1948, compared with $956,518 or 30 cents a share in the year ended April 30, 1948.

A total of 11,348,000 cu. yds. of gravel were handled in the latest eight-month period with an average recovery of 16.11 cents a cu. yd. Workable reserves at Dec. 31, 1948, were estimated at 310,394,000 cu. yds. averaging 22.3 cents a yd. There were also submarginal reserves of approximately 230 million cu. yds. on which no value is placed.

Mining costs last year averaged 10.449c. a cu. yd. on a net basis, and before depreciation and depletion.

Dredge No. 6 was completed during the period and is to be moved up the Porce River for regular operation.

INCOME ACCOUNT

	8 mos. ended Dec. 31 1948	Year ended Apr. 30 1948
Production	$1,828,700	$3,553,032
Net oper. earn.	†13,733	1,485,429
Add: Misc. inc.	764,714	269,067
Net earnings	750,981	1,754,496
Less: Deprec.	431,481	601,501
Depletion	38,123	38,944
Colombian inc. tax	54,428	68,654
Export of f'ds tax	17,083	66,460
Loss on sale of Colombian bds.	36,505	22,419
Net profit	173,361	956,518
Less: Dividend	480,000	1,120,000
Deficit for year	306,639	163,482
†Loss.		
Earnings per Share	$0.05	$0.30
Paid	0.15	0.35

CONDENSED BALANCE SHEET

As at:	Dec. 31 1948	Apr. 30 1948
Cash & bullion	$645,515	$2,557,213
Accts. rec.	215,256	381,445
Stores & supplies	2,140,111	2,488,354
Total curr. assets	3,000,882	5,427,012
Dom. of Can. bds.	50,000	150,000
Colombian invests.	31,141	11,124
Invest. Nechi Cons.	580,000	....
Def. chgs.	1,050,294	1,096,380
Fixed assets	9,992,924	8,878,212
Total assets	14,705,241	15,562,728
Accts. & div. pay.	410,420	1,135,785
Taxes pay.	54,428	312,623
Total curr. liab.	464,848	1,448,408
Def. acct. pay.	70,000	70,000
Reserves:		
Depr. & depl.	6,351,920	5,670,547
Dredge constr.	1,500,000	2,000,000
Tax & social benefits	217,133	154,422
Share premium	2,100,000	2,100,000
Capital stock	3,200,000	3,200,000
Surplus	801,340	919,351
Working capital	2,536,034	3,978,604

OPERATING STATISTICS

	8 mos. ended Dec. 31 1948	Year ended Apr. 30 1948
Cu. yds. handled	11,348,000	14,853,000
Average value	16.11c	23.93c
Ore res., cu. yds.	310,394,000	303,586,000
Grade ($35 gold)	22.3c	21.9c

*Excludes marginal reserves of approx. 230,000,000 cu. yds. at Dec., 1948, and 229,877,000 cu. yds. av. 9.6c at Apr., 1948.

LAKE DUFAULT MINES received $374,000 in dividends from 220,000 shares held in Amulet Dufault Mines in 1948, equivalent to 14.7 cents a share on 2,547,600 shares of its own issued. Development account was increased by $49,517 to $499,952 during the year after deducting $13,000 of interest received.

Two areas of interest for possible discovery of ore bodies are mentioned by J. G. MacGregor, consulting engineer, in company's annual report. Drilling is proceeding in an area below the north exploration drift in a section where an area of copper and zinc-bearing mineralization has been established. An interesting condition has also been located by surface drilling with dalmatianite of a variety commonly found below ore bodies found 1,500 ft. northeast of Amulet's Lower "A" ore body. Further exploration is being done in this area.

Sufficient Norbec Copper Mines shares were taken up under option to provide that company with $40,000 for current diamond drilling. A total of 20,000 shares of Stanmac Mines is also held.

As at Dec. 31, 1948, $699,675 of cash and Dominion bonds were reported against $6,995 of current liabilities.

CANUS PETROLEUM CORP. directors have granted Carl Pielsticker extensions of 90 days each on all option installments; 96,666 shares are reported taken up at 15 cents a share in partial exercise of a 200,000-share option at 15 cents.

Sullivan Profits Sharply Higher In Current Year

An improvement in manpower has permitted Sullivan Consolidated Gold Mines to show a sharp improvement in production and profits in the first five months of 1949, President Pierre Beauchemin reports.

Profit for the first five months amounted to $146,000 including cost-aid received under the Emergency Gold Mining Assistance Act, but before depreciation and taxes. This compares with profit of $42,200, including cost-aid, in the first five months of 1948.

Production for the period was $575,030 from the milling of 71,006 tons of ore for an average of $8.09 a ton. In the comparable period of 1948, recovery was $419,600 from 56,361 tons, an average of $7.41 a ton.

Drilling results from the 2,000-ft. level in the No. 2 shaft area are stated to have resulted in a decision of directors to undertake the immediate sinking of the shaft an additional three levels. The mill is currently treating over 500 tons daily and approximately 200 men are working underground.

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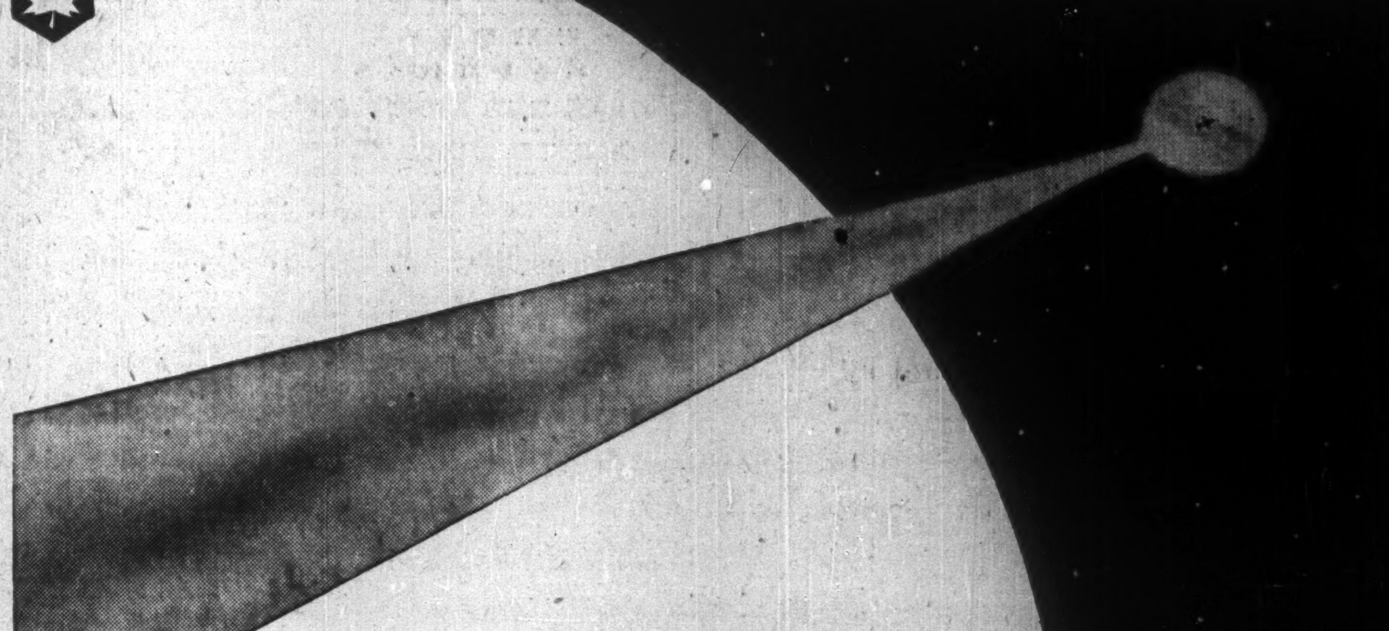

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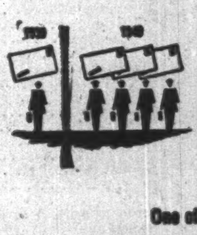

Increase of air traffic: today Canada's commercial aircraft carry more than four times the number of passengers and three times the amount of mail they did in 1939.

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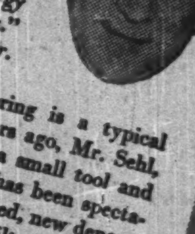
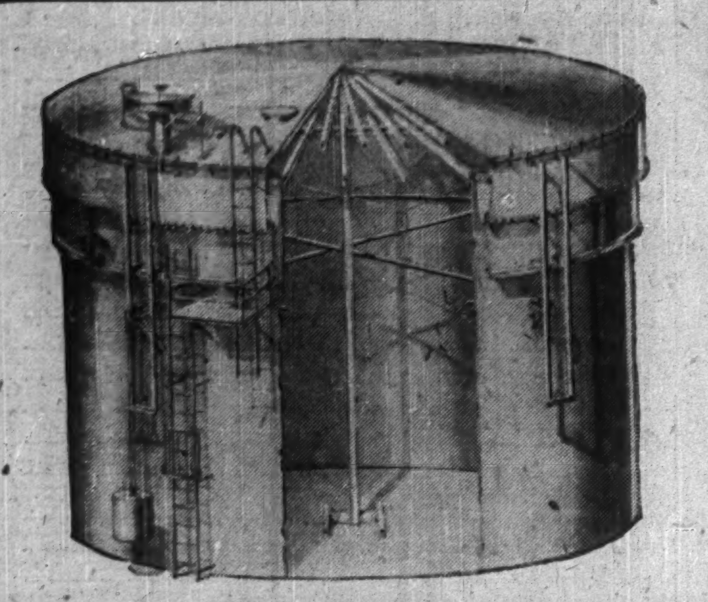


The development of Sehl Engineering is a typical Canadian success story. Only 14 years ago, Mr. Sehl, with one assistant, began operating a small tool and die shop in Kitchener. Its expansion has been spectacular, with new lines of production added, new departments established and new plants built. Today the company, with 90 employees, is fast-becoming one of the leading metal producing concerns in the country.



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Completion of a pipeline to the east may be a very important factor in giving Royalite output a real fillip upwards. The 16 Royalite Redwater successes show an average daily open flow potential of 2,200 barrels, ranging from a low of 1,600 barrels to a high of about 2,700 barrels.

No one expects that any of the wells will ever be produced at their full open flow potentials. But ability to produce on a much larger scale is really there when conditions permit. Actually, marketing conditions may require even stiffer prorationing in western fields in the next six months. The management is looking for a cure of the marketing problem only when eastern markets become available.

After spending about $2,768,000 net on purchase of section at Redwater and the better part of a million for development costs, Royalite still finds itself in a strong liquid position. Working capital at the beginning of the year, before the Redwater purchase, totalled $6 millions. Since then a 51% interest in Dalhousie Oil Co. has been disposed of for a substantial cash return. Operating earnings have been running better than 50% in excess of dividends requirements.

It is the present plan to maintain a strong liquid position as a matter of well-thought out policy.

There appear to be good reasons to think that in six months' time, there may be a drop in prices at which good Crown acreage can be secured. This no doubt was a factor which influenced the management in not making a bid for the Redwater section adjoining Royalite's section and which recently went for a record price of $3,223,320.

A second factor is the realization that should the company's wildcatting program prove successful the management must be prepared to drill a great many step-out wells over a relatively short space of time.

The Royalite Peavey well in the Morinville area was not successful but geophysical, geological and core drilling work has been started in both the Monitor and Grimshaw areas of Northern Alberta recently and this work could be productive of the new field sought.

The Royalite-Texaco-Samson No. 1 well in the Samson area is also getting down to depth where something might be turned up.

A further well is expected to get under way shortly in the Blackfoot Indian Reserve but work in the Lac LaBiche area probably won't be resumed until frost sets in.

Royalite began its life as an independent only last January. It is today firmly established both in terms of oil productive potential and cash in the bank. And from present appearances, it appears likely to be a big factor in keeping Canadians well up in the race for western [illegible]

Chileans Turn Heat on U.S. To Keep Tariff Off Copper

If the U.S. reimposes its 2-cent-a-lb. tariff on foreign copper as is proposed in a new bill, it will represent the "crudest possible blow" against U.S. policy for hemispheric solidarity. That is what a Chilean ministry official declared immediately before representations to the U. S. Government.

Chileans more concerned than Canadians, Mexicans and Peruvians about the sinking copper market are looking to the White House for a solution of their economic problem. It was put up to the president personally and to the U.S. Department in Washington by a special Chilean cabinet minister this week.

Copper revenues are reported to be practically life and death matters in Chile with its population of 5,500,000. The bulk of Chile's copper is sold in the U.S. and the price is now down to 16 cents a lb. against a postwar high of 23.5 cents a lb.

The Chilean ministry said the declining market had already produced a serious economic problem and added that the tariff would not only aggravate the crisis but also would not help the U.S. copper industry.

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COMPANY REPORTS

PATO CONSOLIDATED experienced a decline in net profits to $173,361 or five cents a share in the eight months ended Dec. 31, 1948, compared with $956,518 or 30 cents a share in the year ended April 30, 1948.

A total of 11,348,000 cu. yds. of gravel were handled in the latest eight-month period with an average recovery of 16.11 cents a cu. yd. Workable reserves at Dec. 31, 1948, were estimated at 310,394,000 cu. yds. averaging 22.3 cents a yd. There were also submarginal reserves of approximately 230 million cu. yds. on which no value is placed.

Mining costs last year averaged 10.449c. a cu. yd. on a net basis, and before depreciation and depletion.

Dredge No. 6 was completed during the period and is to be moved up the Porce River for regular operation.

INCOME ACCOUNT

	8 mos. ended Dec. 31 1948	Year ended Apr. 30 1948
Production	$1,828,700	$3,553,032
Net oper. earn.	†13,733	1,485,429
Add: Misc. inc.	764,714	269,067
Net earnings	750,981	1,754,496
Less: Deprec.	431,481	601,501
Depletion	38,123	38,944
Colombian inc. tax	54,428	68,654
Export of f'ds tax	17,083	66,460
Loss on sale of Colombian bds.	36,505	22,419
Net profit	173,361	956,518
Less: Dividend	480,000	1,120,000
Deficit for year	306,639	163,482
†Loss.		
Earnings per Share	$0.05	$0.30
Paid	0.15	0.35

CONDENSED BALANCE SHEET

As at:	Dec. 31 1948	Apr. 30 1948
Cash & bullion	$645,515	$2,557,213
Accts. rec.	215,256	381,445
Stores & supplies	2,140,111	2,488,354
Total curr. assets	3,000,882	5,427,012
Dom. of Can. bds.	50,000	150,000
Colombian invests.	31,141	11,124
Invest. Nechi Cons.	580,000	......
Def. chgs.	1,050,294	1,096,380
Fixed assets	9,992,924	8,878,212
Total assets	14,705,241	15,562,728
Accts. & div. pay.	410,420	1,135,785
Taxes pay.	54,428	312,623
Total curr. liab.	464,848	1,448,408
Def. acct. pay.	70,000	70,000
Reserves:		
Depr. & depl.	6,351,920	5,670,547
Dredge constr.	1,500,000	2,000,000
Tax & social benefits	217,133	154,422
Share premium	2,100,000	2,100,000
Capital stock	3,200,000	3,200,000
Surplus	801,340	919,351
Working capital	2,536,034	3,978,604

OPERATING STATISTICS

	8 mos. ended Dec. 31 1948	Year ended Apr. 30 1948
Cu. yds. handled	11,348,000	14,853,000
Average value	16.11c	23.93c
Ore res., cu. yds.	310,394,000	303,586,000
Grade ($35 gold)	22.3c	21.9c

*Excludes marginal reserves of approx. 230,000,000 cu. yds. at Dec., 1948, and 229,877,000 cu. yds. av. 9.6c at Apr., 1948.

LAKE DUFAULT MINES received $374,000 in dividends from 220,000 shares held in Amulet Dufault Mines in 1948, equivalent to 14.7 cents a share on 2,547,600 shares of its own issued. Development account was increased by $49,517 to $499,952 during the year after deducting $13,000 of interest received.

Two areas of interest for possible discovery of ore bodies are mentioned by J. G. MacGregor, consulting engineer, in company's annual report. Drilling is proceeding in an area below the north exploration drift in a section where an area of copper and zinc-bearing mineralization has been established. An interesting condition has also been located by surface drilling with dalmatianite of a variety commonly found below ore bodies found 1,500 ft. northeast of Amulet's Lower "A" ore body. Further exploration is being done in this area.

Sufficient Norbec Copper Mines shares were taken up under option to provide that company with $40,000 for current diamond drilling. A total of 20,000 shares of Stanmac Mines is also held.

As at Dec. 31, 1948, $699,675 of cash and Dominion bonds were reported against $6,995 of current liabilities.

CANUS PETROLEUM CORP. directors have granted Carl Pielsticker extensions of 90 days each on all option installments; 96,666 shares are reported taken up at 15 cents a share in partial exercise of a 200,000-share option at 15 cents.

Sullivan Profits Sharply Higher In Current Year

An improvement in manpower has permitted Sullivan Consolidated Gold Mines to show a sharp improvement in production and profits in the first five months of 1949, President Pierre Beauchemin reports.

Profit for the first five months amounted to $146,000 including cost-aid received under the Emergency Gold Mining Assistance Act, but before depreciation and taxes. This compares with profit of $42,200, including cost-aid, in the first five months of 1948.

Production for the period was $575,030 from the milling of 71,006 tons of ore for an average of $8.09 a ton. In the comparable period of 1948, recovery was $419,600 from 56,361 tons, an average of $7.41 a ton.

Drilling results from the 2,000-ft. level in the No. 2 shaft area are stated to have resulted in a decision of directors to undertake the immediate sinking of the shaft an additional three levels. The mill is currently treating over 500 tons daily and approximately 200 men are working underground.

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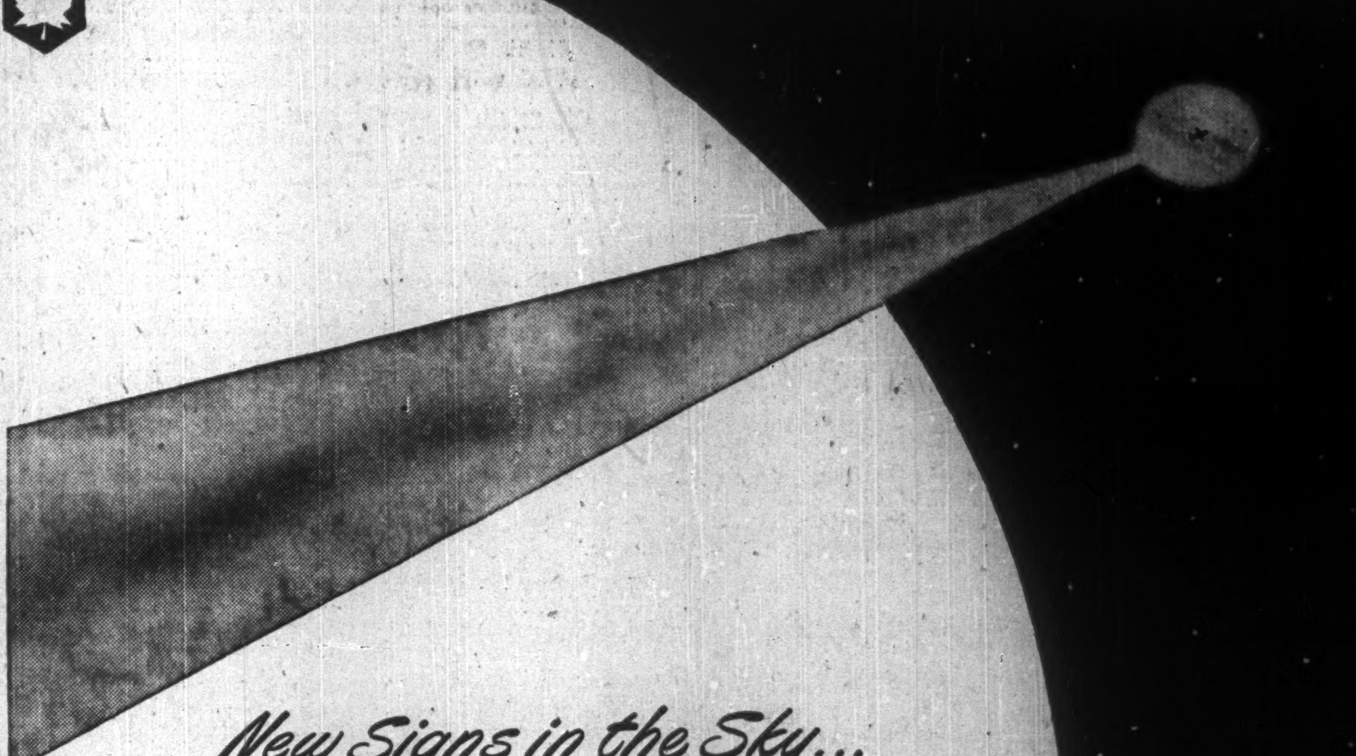
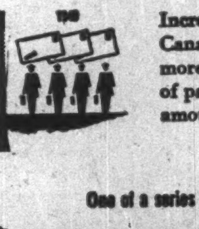


New Signs in the Sky . . .

A distant hum and a flashing streak in the outer sky announce another exciting Canadian achievement—a new jet plane designed and built by Canadians—one more example of the meteoric advances made by Canadian skills and manufacturing abilities.

In Canada, too, giant airliners, which have won international recognition, are now being built for the world's air routes of today and tomorrow.

Today our production—both in extent and variety—has attained heights undreamt of even ten years ago, creating new opportunities in every field of activity for the talents and enterprise of young Canadians.



Increase of air traffic: today Canada's commercial aircraft carry more than four times the number of passengers and three times the amount of mail they did in 1939.

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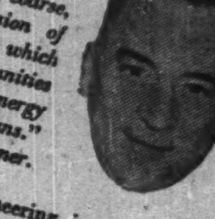
The development of Sehl Engineering is a typical Canadian success story. Only 14 years ago, Mr. Sehl, with one assistant, began operating a small tool and die shop in Kitchener. Its expansion has been spectacular, with new lines of production added, new departments established and new plants built. Today the company, with 90 employees, is fast becoming one of the leading metal producing concerns in the country.



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Quemont Announces Production Start Expects to Treat 2,200 Tons Daily

Canada's biggest new base metal mine is now in production.

General Manager J. A. H. Paterson tells The Financial Post that the big milling plant of Quemont Mining Corp. was turned over on Monday and by Tuesday over 1,000 tons of ore daily was being fed into the circuit. In about six or seven weeks production is expected to be up to at least rated capacity of 2,000 tons daily.

There appear to be pretty fair prospects that the mill will have oversize capacity and that in practice 2,200 tons daily will be handled without difficulty, The Post learns.

A Well-Equipped Mine

Everything has been done to make Quemont an outstanding success. Mine preparation is in excellent shape. There will definitely be no trouble in delivering 2,200 tons of ore daily to the mill, the management states. Not only has extensive stope preparation and cutting of ore passes been done but the shaft, now down around 2,500 ft., is within 100 ft. of its objective, will make available an entire series of new levels for exploration.

Quemont has one of the finest plant layouts on the North American continent; the best advice possible was secured in its design. The company has every reason to expect low costs. A full mine crew of 650 men are on the job, absenteeism has decreased sharply, efficiency has stepped up, and there has been a noticeable tendency for costs to level off.

Ore Reserves Check

Stope preparation has shown the ore to be checking with reserve estimates as closely as could be expected.

A total of 90% of the company's copper output is contracted to U. S. stockpiling authorities until March 31, 1953, and terms are advantageous when present metal marketing conditions are considered.

An underground crusher has been installed at the 720-ft. horizon and will take care of primary crushing requirements there.

Indications are that grade of ore treated may, for a period, exceed the mine average. That is because the largest ore body, the West, has been prepared for initial mining. How the West ore body compares with other ore occurrences is indicated by following statistics on the current ore reserve position:

Block:	*Tons	Au. oz.	Ag. oz.	Cu. %	Zn. %
West	4,107,500	.196	.884	1.78	1.78
East	3,818,500	.152	.968	1.43	3.56
SW†	1,505,000	.171	1.036	.87	2.97
	9,431,000	.174	.943	1.49	2.69

†Below 900 level. *Before dilution.

With the present break in zinc prices and the company contracted ahead on copper disposal, it appears fortunate that the West ore body—low in zinc but high in copper—was prepared for mining first. Preparation of the East ore body for mining is now being started.

Exploration Situation

It is expected to be next fall before any underground prospecting at depth gets underway at new deep horizons. This is because of requirements for finishing stations, cutting ore passes, etc. Allowing for normal dilution, the company has in excess of 14 years' ore ahead of the mill so that there is no pressing need for exploration. The management has great confidence that much more ore will be found as the company's exploration plans progress. No drill exploration, except for outlining of ore for stoping, has been done recently as there has been no need for this.

Initial ore for milling has been drawn from the surface dump, development headings and stope preparation. The large tonnage of ore to be milled will come from a substantial number of levels and draw points so that there won't be any pressure of production requirements at any one location.

Present indications are that a very substantial saving in corporation taxes has been assured to the company by the recent decision of the government under which base metal mines can defer write-offs until the 3½-year tax free period expires. While the entire cost of the Quemont project isn't known as yet—all the accounts haven't been tabulated yet—saving in taxes over a period is bound to be enormous. It is estimated by The Financial Post that actual dollar saving can easily run from a million to two million dollars. The concession is undoubtedly an extremely important concession contributing to the company's success. It appears likely that Quemont will prove the greatest single beneficiary under this income tax ruling. How the ruling will apply in practice, however, hasn't been fully determined as yet.

On the basis of present known information, and the very low costs expected for the well-equipped Quemont operation, indications are that rapid progress will be made in reducing the bank advances which assisted the company in reaching its goal.

U. S. Slashes Copper Output To Equate Supply and Demand

With price of copper down from the postwar peak of 23½c to 16c a pound, many U. S. producers are now apparently in the red. Production is being slashed right and left in efforts to bring a new balance between supply and demand around present price levels.

Outside the United States, International Nickel Co. is the only large producer which has reduced output of copper. Costs are much lower in countries such as Canada.

Calumet & Hecla, Kennecott Copper, Consolidated Copper, Phelps Dodge and Anaconda have all taken steps to reduce the United States output of copper.

It is estimated that the over-all effect of changes so far announced will be to reduce U. S. copper output from 75,000 to 60,000 tons a month. There are indications that even further steps will be taken to reduce output. A big cutback will occur if another strike develops at the Utah Copper mine of Kennecott.

Individual steps to reduce copper production in the U. S. include the following:

Closure of the Michigan mines of Calumet and Hecla.

Placing of the Utah, Nevada and Arizona mines of Kennecott Copper on a 40-hour week with a two-day shutdown every two weeks.

Action of Consolidated Copper, next to Kennecott's Nevada mine, to reduce its output on a similar basis.

Closure by Phelps Dodge, the second largest U. S. producer, of its Bisbee mine; and introduction of 40-hour week at its Morenci and Ajo open pits.

Anaconda's closure of its Belmont mine in Nevada and introduction of the 40-hour week at its Butte operation.

"Miner at Work" Tells Full Story

How do mining companies extract their ore? What is the type of equipment miners have to use? How does base metal mining differ from gold mining?

These questions — and many others — are answered in the latest publication of the Ontario Mining Association entitled "The Miner at Work."

A profusely illustrated booklet, "The Miners at Work" shows in detail various operations from machine shop work to drilling underground, mucking of ore and pulling of chutes. To the mining man, a large part of the booklet's material may be "old stuff"; but to the average individual, the booklet draws back the curtain on how big mines operate.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PICKLE CROW GOLD MINES showed an increase of over 30% in net profit in 1948. A total of $336,740 earned, after including $97,948 of estimated cost-aid, was equal to 11c a share. Working capital rose almost $200,000 to $1,163,809, after payment of 10c a share in dividends.

"No. 2 vein continued to open up very well and further new ore is confidently expected," President J. E. Hammell told shareholders.

A slight increase in total gold content of ore reserves was reported at the end of 1948 although tonnage of ore in reserve was narrowly lower at the end of 1948. Based on the 1941 milling rate of 481 tons daily, reserves are sufficient for 4½ years' operations. Daily milling rate was 315 tons last year.

Development of No. 2 vein is being prepared for from No. 3 shaft which has been dewatered. Consideration is also being given to exploration in the Albany River area.

Production in the first four months of this year was slightly higher than the 1948 average with $580,000 estimated recovery from 43,287 tons of ore.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Bullion sales	$1,631,195	$1,356,687
Less: Mktg., etc.	14,877	12,320
Net output	1,616,318	1,344,367
Less: Oper. exps.	1,120,385	921,034
Oper. profit	495,933	423,333
Add: Sundry rev.	15,241	24,245
Est. cost-aid	97,948	......
Total earnings	609,122	447,578
Less: Deprec.	68,543	66,033
Prov. for taxes	88,602	45,000
Dev. exp. w/o	115,237	91,425
Net profit	336,740	245,120
Less: Divds.	313,685	313,685
Surplus for year	23,055	■68,565
■Deficit.		
Earned per Share	$0.11	$0.08
Paid	0.10	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bullion	$277,942	$103,110
Govt. bonds*	472,000	472,000
Accts., etc., rec.	8,112	11,435
Est. cost-aid	46,711	......
Tax refund.	......	16,788
Recov. exp.	4,429	4,993
Mat. & supplies	475,478	494,229
Total curr. assets ..	1,284,672	1,102,555
Dep. re pwr. cont.	28,000	28,000
Shs., etc., other cos. ..	41,821	46,496
Mining claims	1,817,056	1,817,056
Devel. exp.†	269,211	384,448
Plant & equip.▲	287,676	308,200
Total assets	3,777,302	3,765,215
Bank overdraft	......	36,892
Accts., etc., pay.	83,485	85,706
Reserve for taxes	37,378	9,224
Total curr. liab. ...	120,863	131,832
Capital stock	2,647,400	2,647,400
Surplus	1,009,039	985,983
†After w/o	280,751	165,514
▲After depr. of	1,602,324	1,533,780
*Market value	474,395	492,713
Working capital	1,163,809	970,723

OPERATING STATISTICS

	1948	1947
Tons milled	115,237	91,425
Average recov.	$14.16	$14.84
Ore reserves, tons	793,355	803,570
Grade ($35 gold) ...	$14.60	$14.40

HEVA GOLD MINES balance of June 1 installment of 40,100 shares at 10c a share and each subsequent installment under agreement with Dunlo Investors Ltd., have been extended for three months.

PAN WESTERN OILS June 1 installment on 200,000 shares at 20c a share and each subsequent installment under agreement with Owen Investors Ltd. have been extended for two months.

New Pacalta Strikes Oil

Whitemud Well Flows Oil in 14-Minute Interval

Successful completion of a well in the Whitemud sector northeast of the Leduc field proper was announced this week by New Pacalta Oils Co.

An official statement reports that oil flowed to surface in 14 minutes:

"Word received from the field stated that the hole was bottomed at 4,073 ft. in the lower cretaceous formation," the official announcement says. "A test taken at this point brought oil to the surface in 14 minutes. The oil is reported to be light and clean and of approximately 40 gravity. A gas flow in excess of eight million cu. ft. was indicated by the test. The new well is located slightly over half a mile south and west of the Imperial Oil No. 1 Whitemud discovery and was financed by New Pacalta Oils Co., which company owns a 62½% interest in both the No. 1 well and in five adjoining 40-acre drill sites.

"Production casing has been run on the successful No. 1 venture and drilling out of the cement plug preparatory to placing the well on steady flow is scheduled for Wednesday next—June 22. The company also announces its intention to immediately start drilling New Pacalta Whitemud No. 2 on the adjoining 40-acre lease to the successful No. 1 venture and a continuous program of drilling until the six-well lease is fully developed is anticipated. The drilling costs in the area are comparatively low in view of the shallow depth to production of 4,000-4,100 ft."

New Pacalta also holds a 25% interest in the Chief Redwater Oils No. 1 well drilling 1½ miles southwest of the New Pacalta Whitemud No. 1 well on a 160-acre tract, and a 12.5% interest in the Hargal-Leduc No. 1 D3 producer. Monthly revenue from the latter source is expected to be augmented within the next 30 days by completion of Hargal-Leduc No. 2 which is being drilled to the productive D2 horizon 100 ft. to the northeast of the Hargal-Leduc No. 1 well.

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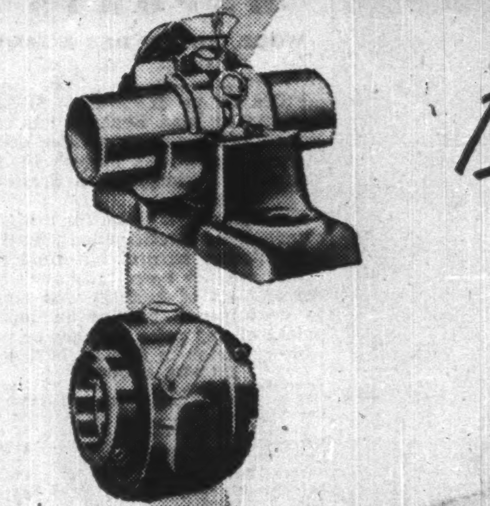

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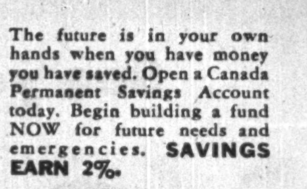

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BATCHAWANA URANIUM MINES reports that on May 26, time for taking up options on 999,995 shares of the company's stock held by Noront Securities Co. was in each case extended for a further period of six months.

LONDON CALLING—*By Adelphi*

Even the Conservatives Are Nervous When Churchill Prepares His Speech

LONDON — Ascot Week has come to a glorious end with a British horse winning the Gold Cup for the first time since the war. In fact the French horses did not win a single race at the meeting.

Young Lord Derby won the Gold Cup with Alycidon and on the same day won the King Edward Stakes with Swallow Tail. The cup was worth £10,865 in prize money, and the other race was worth £5,345 so Lord Derby may be able to lower the price of half a crown which he now charges for visitors to his estate.

The King also won a valuable race which was duly acclaimed by all the men taking off their toppers. In fact a visitor from Mars or even the U.S.A. might have pondered over what can go on in a Socialist country.

• • •

The Gold Cup race which is 2½ miles long, was won in a somewhat unconventional manner. Alycidon is a grand horse but bone lazy. So Lord Derby's trainer entered two of his stable companions as stooges to race him for the first mile and a half. They were both completely done in at the end of that distance but they had succeeded in making the champion gallop faster than any horse has ever done in a race of 2½ miles. The American-owned Black Tarquin, a beautiful horse, was second and the French entry nowhere.

In other words, all the big races this year have been won by British bloodstock which is good for the nation's morale and good for sterling. The export of British bloodstock is still quite an industry.

• • •

Will Churchill Use Bludgeon on Socialists?

Political circles were startled last Saturday when Anthony Eden twice collapsed while making an out of door speech in a blazing sunshine. The first time he swayed forward but was kept from falling by officials on the platform. After a few moments rest he insisted upon resuming his speech but again collapsed. Pluckily he went on that evening and kept another speaking engagement in his constituency.

It may have been a touch of the sun or it may have been a reaction from his strenous Empire tour. It is being recalled that some years ago when he flew to London from Moscow in very bad weather he had to rest for nearly a week. He is a tireless, restless worker and should probably have taken a rest after his Empire tour instead of plunging headlong into the political fight at home.

• • •

The Conservatives announce that Mr. Churchill will shortly make a speech outlining his Party's policy, and as a result both the Socialists and Conservatives are feeling nervous. Mr. Churchill is more out of touch with the rank and file of his Party supporters than at any time since the last election, but no doubt he is in close contact with the leaders. There is a strong feeling that if he merely damns the Socialists it will retard the quickening pace of the Conservative revival.

If only he would speak of the Socialists more in sorrow than in anger it would be effective but the old warrior has always preferred the bludgeon to the poisoned flower. Everything about the Socialists angers him and he sees no reason to dissemble his hate. However, the Conservatives are still hoping that he will mix adroitness with his pugnacity.

• • •

Stock Market and Opera Are in Different Moods

The Stock Market is in the doldrums, partly out of sympathy with New York, and partly because the prophets of woe are having it all their own way. Business men are talking slump and the newspapers are joining in the gloomy chorus. One of the shrewdest men over here takes a different view. In his opinion there has to be a shake-down following the inflation of the war years and that the process is not only normal but healthy. This may be so but it is hard to keep spirits up when shares are marked down right along the line. Nor has the exploded South African gold boomlet helped.

• • •

Mr. David Gibson of Toronto has been visiting friends and saying many sensible things. His firm of Robert Simpson Company is a large and loyal importer of British manufactured goods, so the industrialists, financiers and bankers were eager to have his opinions. I hear that at a banker's luncheon in the City there was a Cabinet minister who learned more about English industrial conditions from Mr. Gibson than he had learned from any other source.

Mr. Gibson's son, who has been the London chief of Simpson's, is returning to Toronto. London will miss him and we hope he will miss London.

• • •

Wagner has departed from Covent Garden and last night the Opéra Comique moved in from Paris for three performances of Debussy's seldom heard: "Pelléas et Mélisande." The French Ambassador had a box, the orchestra played the National Anthems of both countries and the Tricolor flew beside the Union Jack outside. It is not exactly an exciting piece of work but it was done with much delicacy and we all felt very civilized.

At the Savoy Theatre there is a company of Spanish dancers and musicians while at the Embassy Theatre the Glasgow Citizen's Theatre company are playing a Molière comedy in the broadest of broad Scotch. In other words London is being very cosmopolitan at the moment, which is as it should be.

• • •

This week Wimbledon opened but we cannot believe that British tennis will follow the admirable example of British horses, British golfers and British prizefighters. Something is wrong with our method of training young tennis players, so we shall have to content ourselves in looking on while the Americans try to stave off the European challengers.

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Foreign Ministers Didn't Get Very Far

The slow motion conference of Foreign Ministers has drawn wearily to a close. None of the four Ministers expected much of it, so none of them has been disappointed.

Feeling in London is that Vyshinsky is just as impossible as Molotov, though not so boring, and that Acheson and Bevin did not show much imagination when putting forward a plan for a permanent four power control administration in Berlin. How would you like to run Toronto or Montreal under a control commission of Spaniards, Greeks, Italians and Brazilians? Yet that is no more absurd than the Anglo-American plan for Berlin, and the Russian plan was even worse.

There is also criticism in London for the British decision to dismantle certain plants in the Ruhr. It is too late for that kind of thing. Besides, in this dismantling process firms are allowed to put forward reasons for being spared which opens up all sorts of suspicions of jiggery pokery, probably unjustified but none the less damaging.

• • •

Following the Blackpool Conference Aneurin Bevan's stock is booming . . . They say Bevan will be the next Socialist Prime Minister . . . The silly Sunday railway strikes are being called off . . . Nancy Pyper from Canada lunched with Mrs. Neville Chamberlain this week . . . A French politician says that if Britain goes Conservative France will go Liberal, and if Britain goes Socialist again France will go Communist . . . Leading actors of the London stage are attending Dorchester luncheon to celebrate Beverly Baxters' new book on theatre. Viscount Simon will be in the chair . . . Cinemas doing bad business . . . Cripps being urged to introduce State Lotteries . . . Luxury trades all doing badly but London hotels booming with tourist traffic . . . Lovely summer weather.

D'ARCY M. DOHERTY

of Doherty Roadhouse & Co. has been elected vice-president of the Toronto Stock Exchange.

COMPANY REPORTS

WOOD, ALEXANDER & JAMES, LTD., Hamilton, net profit for year ended Jan. 31, 1949, totaled $249,586, up 42.6% from $175,027 in previous year. Business has continued at a satisfactory rate, dollar volume being the largest in the company's history, states President F. R. Bennetto.

The company's claim for a higher standard of profit, filed in 1947, was allowed in part but final figures have not been fully received. An amount of $100,000 was added to contingency reserve in anticipation of any price changes or possible recession in general business.

INCOME ACCOUNT

Years Ended Jan. 31:	1949	1948
Net income	$425,601	$360,116
Less: Deprec.	28,135	23,925
Income tax	147,880	161,164
Net profit	249,586	175,027
Less: 1st pf. divds.	68,250	56,875
Surplus for year	181,336	118,152
Earnings per Share and Dividend Record:		
1st Preferred	$38.40	$26.93
Paid	7.00+3.50	7.00+1.75
2nd Preferred	96.09	60.96
Common	29.11	17.64

None paid on 2nd pref. or common.

CONDENSED BALANCE SHEET

As at Jan. 31:	1949	1948
Cash	$350	$350
Accts. rec.	535,619	403,969
Inventories	1,062,107	950,689
Total curr. assets	1,598,076	1,355,008
Misc. assets▲	37,528	60,971
Fixed assets	784,580	758,256
Total assets	2,420,184	2,174,235
Bank advances	90,896	130,636
Accts. & tax pay.	373,214	314,164
Dividend pay.	22,750	11,375
Total curr. liab.	486,860	456,175
Conting. res.	200,000	100,000
Deprec. res.	355,983	334,045
Capital stock	921,863	921,863
Surplus▲	†455,458	†382,152
▲Incl. ref. EPT	25,369	48,663
▲Incl. ref. EPT	31,435	48,663

†After $100,000 approp. in 1949 and in 1948 for conting. res.

Working capital	1,111,216	898,833

MORRISON BRASS CORP. 1948 net profit was up narrowly from 1947 at $25,747 ($24,424). Sales and production were up substantially but earnings were curtailed by higher raw material prices and labor costs which, because of market conditions, had to be absorbed by the company. Sales were up 13.6% and production by 6.2%.

Sales for the first four months of 1949 are 9% above same period a year ago, although sales for month of April were below average. It is believed that improved manufacturing methods adopted in 1948 will be reflected in reduced costs during 1949.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Oper. profit	$79,115	$73,566
Less: Bond int.	7,990	5,990
Depr.	30,258	28,807
Income tax	15,120	14,345
Net profit & surp.	25,747	24,424
Earnings per Share and Dividend Record:		
Common	$0.25	$0.24

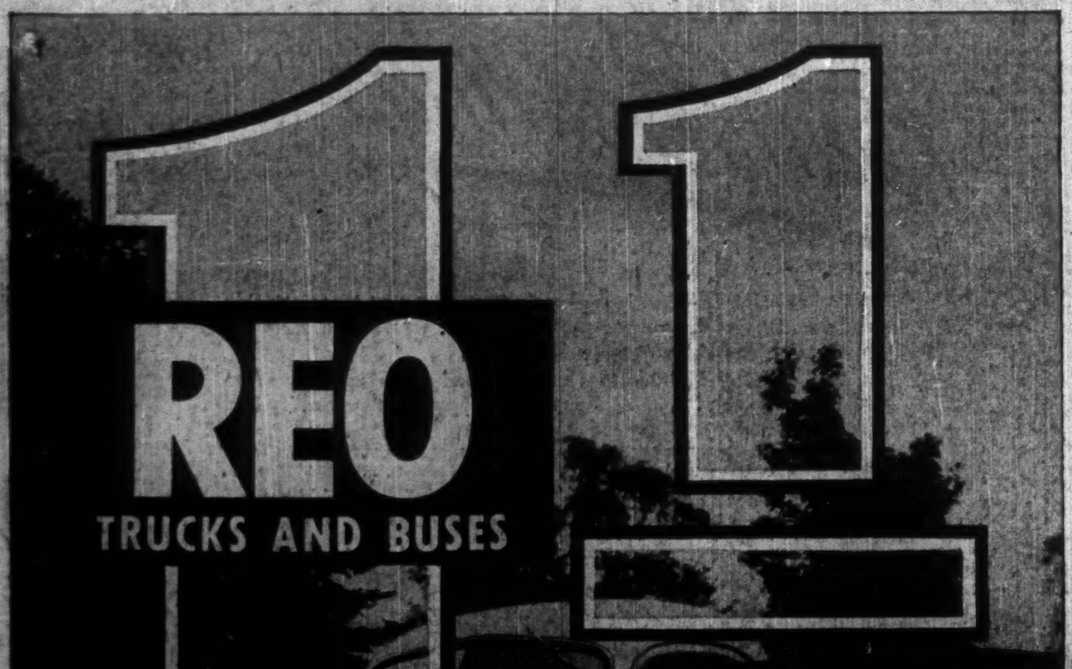
None paid.

COND. CONS. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & Dom. bds.	$1,924	$31,339
Accts. rec. & misc.	291,867	220,420
Inventories	629,890	527,672
Total curr. assets	923,681	779,431
Prepayments, etc.§	23,409	26,186
Refund. EPT	....	14,049
Fixed assets	1,466,732	1,440,336
Total assets	2,413,822	2,260,002
Bank loan	92,000	75,000
Accts. & tax pay.	470,269	376,031
Accr. interest	1,307	1,367
Total curr. liabs.	563,576	452,398
Bonds & mtges.	210,000	220,000
Depr. res.	287,919	257,661
Capital stock	1,133,429	1,133,429
Surplus▲	218,899	196,514
▲Incl. ref. EPT	14,049	24,111

§Included in curr. assets in co's report.

Working capital	360,105	327,033



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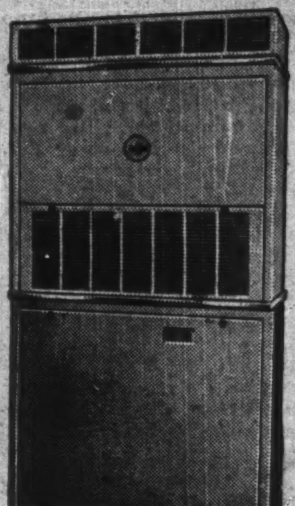

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